

SIT S.P.A.

**POLICY FOR THE MANAGEMENT, PROCESSING
AND COMMUNICATION OF INSIDE INFORMATION**

Introduction

In application of Article 31 of the AIM Italia – Alternative Capital Market Issuers’ Regulation (the “**AIM Italia Issuers’ Regulation**”) and Regulation 596/2014/EC of the European Parliament and Council (hereafter the “**Regulation**”), the Board of Directors of SIT S.p.A. (hereafter the “**company**” or “**Issuer**”) at the meeting of July 10, 2017 approved this policy for the internal management and external communication of inside information (the “**Policy**”). This Policy entered into force from admission to trading of SIT Shares and Warrants (as herein defined) on the multilateral AIM Italia trading system.

The Policy ensures compliance with applicable legal and regulatory provisions and the maximal confidentiality of Inside Information (as herein defined); the Policy, in particular, guarantees greater transparency to the market and adequate measures to prevent market abuse and, in particular, Insider Dealing (as herein defined).

For that not expressly established in this Policy, reference is made to the communication provisions concerning price sensitive information and corporate disclosure under the AIM Italia Issuers’ Regulation, the Regulation and the applicable legal provisions and regulations (including European).

Article 1

Definitions

The terms and expressions in bold are defined as follows.

“Chief Executive Officer” indicates the chief executive officer of the company.

“Shares” indicates the ordinary shares of the company.

“Board of Statutory Auditors” indicates the Board of Statutory Auditors of the company in office.

“Board of Directors” indicates the company’s Board of Directors as appointed.

“Subsidiaries” indicates the company subsidiaries pursuant to Article 2359 of the civil code.

“Employees” indicates the employees of the company not included as Relevant Persons.

“Relevant Events” is defined as indicated at Article 5.

“Group” indicates the Issuer and the Subsidiaries.

“Inside information” concerns information of a precise nature which has not been disclosed to the public and which relates directly or indirectly to the company or to one of its Subsidiaries or its Financial Instruments, which, if disclosed to the public, could have a significant impact on the prices of such Financial Instruments.

In particular, information of a “precise nature” is that which:

- a) refers to a series of existing circumstances or which may reasonably occur or a verified event or one which may reasonably be expected to occur; and
- b) is sufficiently specific to allow conclusions to be drawn on the possible effect of the set of circumstances or the event referred to under point (a) on the prices of the Financial Instruments or the relative derivative financial instruments. In this regard, in the case of a protracted process intended to bring about particular circumstances or a particular event, or in the case of a protracted process resulting in such, that future circumstance 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.

In addition, “*information which, if made public, could significantly influence the price of financial instruments or of derivative Financial Instruments*” concerns that which an investor may likely utilise as an element on which to base their investment decisions.

In relation to the Subsidiaries, all of the information concerning the Subsidiaries which may be considered of an inside nature for the company in light of the relevance of the activities carried out by the subsidiaries is covered by this Policy.

“**Relevant Information**” indicates all information which may become Inside Information although currently not sufficiently precise to be considered as such.

“**Nomad**” indicates the nominated adviser of the company.

“**Chairman of the Board of Directors**” indicates the Chairman of the company’s Board of Directors.

“**Insider Register Policy**” indicates the company’s “Policy for the maintenance of the insider register”.

“**Insider Register**” indicates the register of persons with access to Inside Information concerning the Group, set up, managed and updated in compliance with the Insider Register Policy.

“**Appointed Officer**” has the meaning indicated at Article 4.3.

“**Legal Manager**” indicates the Chief Governance and Legal Officer of the company.

“**Interested Parties**” indicates the persons at Article 2, paragraph 1, Nos. i, ii, iii.

“**Covered Persons**” are:

- a) all members of the company’s Board of Directors and Board of Statutory Auditors;
- b) persons who hold management positions with the Group, employees and executives with regular access to Inside Information concerning, directly or indirectly, the Group and who have decision-making powers that may affect the development and the prospects of the company, in addition to all other

persons who by reason of office participate at meetings of the corporate boards, with regard to all Inside Information concerning the Issuer;

c) persons who carry out the functions at letters a) and b) above for a direct or indirect subsidiary of the company;

“**SDIR**” indicates the Service for the circulation of regulated disclosure in accordance with the CONSOB Regulation.

“**Financial Instruments**” collectively indicates the financial instruments of the company admitted for trading on a multilateral trading system, as defined by Article 4, paragraph 1, point 15 of Directive 2014/65/EC and cited at section C of annex I of Directive 2014/65/EC of the European Parliament and Council.

“**TUF**” indicates Legislative Decree No. 58 of February 24, 1998 (Testo Unico della Finanza).

“**Warrant**” indicates warrants of the company.

Article 2

Policy Addressees

1. This Policy is addressed to:

- i. Covered Persons;
- ii. any other person (i) granted the power to execute operations (for example purposes, the purchase, sale, cancellation and amendment of orders) in the name of and on behalf of the Group, assuming relevance in terms of the company’s and Group’s operations, including those who, in exercising their occupation, profession or function have access to such Information; and (ii) who possesses Inside Information as a result of circumstances other than those listed above, where they know or should know that such constitutes Inside Information;
- iii. persons, other than Covered Persons, who, for specific operations, have access to Relevant Information and/or Inside Information. In these circumstances, the company should conclude with these persons specific

confidentiality agreements (hereafter, collectively, the “Interested Parties”).

Article 3

Addressee obligations and prohibitions

1. Interested Parties, both to protect the interest of the company served by the confidentiality of its business affairs and to avoid market abuse, should handle with maximal confidentiality all Relevant Information and/or Inside Information, of which they become aware in exercising their functions until its communication to the market according to the means established by this Policy or as otherwise coming into the public domain.
2. Interested Parties are prohibited from:
 - i. utilising Inside Information to acquire or dispose of Financial Instruments to which such information refers, on their own behalf or on behalf of third parties, directly or indirectly or communicating such to third parties, and before circulation in accordance with this Policy and the applicable legal provisions;
 - ii. utilising Inside Information, cancelling or amending an order for a Financial Instrument to which the information refers, where this order was forwarded before the Interested Party came into possession of such Inside Information;
 - iii. communicating the Inside Information to others, outside of the normal exercise of their employment, profession, function or position and however not on a “need to know” basis.
 - iv. advising or inducing others, on the basis of the Relevant Information and/or Inside Information in their possession, to exercise operations on the Financial Instruments to which this Information refers.
3. The Interested Parties are held personally responsible for the safekeeping of documentation concerning the Relevant or Inside Information to which they have access and for guaranteeing its confidentiality.
4. The company communicates to the public without delay the Inside Information directly concerning the company and its Subsidiaries, according to the means established by Article 7 and subject to Article 10 in relation to the possibility of delaying the communication to the public of the Inside Information.
5. The Company shall in writing inform its own Subsidiaries of the appropriate

provisions so that they may in a timely manner provide all the necessary information to comply with the communication obligations.

Article 4

Evaluation of the “inside” nature of the information and the processing of Inside Information

1. The Interested Parties should inform without delay the Chairman of the Board of Directors of the company, in addition to the Legal Manager, of all information concerning the company and/or the Subsidiaries which they potentially consider of an inside nature or the Relevant Facts (as defined at Article 5) which they become aware of on the basis of their working or professional activities or position held. Similarly, company Employees are required to signal to their direct line manager information they consider to be potentially of an inside nature or Relevant Events of which they have become aware during the course of their working activity. The Interested Party should in addition inform the Legal Manager of any “rumor” or other circumstance of which they are aware which may give rise to disclosure obligations in accordance with this Policy.

2. The assessment of the inside nature of the information and, therefore, the need for a market communication, is made:

- i. by the Board of Directors, on assessment, with regards to information emerging during board meetings, while external communication shall be overseen by the Chief Executive Officers, having consulted the Nomad;
- ii. by the Chairman of the Shareholders’ Meeting, on assessment, with regards to information emerging during shareholders’ meetings, while external communication shall be overseen by the Chief Executive Officers, having consulted the Nomad;
- iii. the Chairman of the Board of Directors and/or the Chief Executive Officer, having consulted the Nomad, with regards to accounting and periodic data; and
- iv. the Chairman of the Board of Directors and/or the Chief Executive Officer, having consulted the Nomad, with regards to any other information.

The Covered Persons, for the cases at points iii. and iv., should communicate in a timely manner the content of the Relevant Information and/or Inside Information to the Chairman of the Board of Directors and/or to the Chief Executive Officer and,

thereafter, inform them on the state of advancement, where the Relevant Information concerns events or operations in progress, to be updated periodically, at least once every 7 (seven) days, or according to a differing frequency as required by the nature of the event or the operation.

3. The Chairman of the Board of Directors is responsible for the processing and management of Inside Information concerning the company and its Subsidiaries. In the absence of the Chairman of the Board of Directors, the Legal Manager assumes this responsibility. Each, as applicable, undertakes the responsibility for the processing of the inside information (the “**Appointed Officer**”).

4. The Appointed Officer shall only circulate Inside Information through authorised channels and internal company processes, and shall oversee that the distribution of this inside information internally within the company is conducted without compromising the inside nature of this information.

5. The other Group companies, and in particular persons responsible due to the internal organisation of the entity, are required to inform without delay the Appointed Officer of the emergence of a set of circumstances or an event which constitutes or may constitute Relevant Information and/or Inside Information. The assessment upon the relevance of the information is however referred to the Appointed Officer, having consulted the Nomad.

6. All Interested Parties and all Employees who become aware of Inside Information due to their position within the company are prohibited from disclosing, distributing or communicating in any manner such information to persons other than to those requiring the information to carry out their respective functions within the company.

Article 5

Possible events generating Inside Information

1. An example of some events that could be determined to be an event or a circumstance relevant pursuant to this Policy is provided below (each one, a “**Relevant Event**” or cumulatively the “**Relevant Events**”):

- entering into, or withdrawing from, business sectors;
- the termination or appointment of a board of directors or statutory auditors;

- the purchase or disposal of shareholdings, other activities or branches of the Company;
- the auditing company declining to conduct an audit;
- share capital operations, including increases and reductions;
- public purchase or exchange offers or other operations prompting a change in the company's control;
- the issuing of warrants, bonds or other debt securities;
- changes to the rights of listed financial instruments;
- losses significantly impacting on the net equity;
- mergers or spin-offs;
- the signing, amendment or termination of contracts or significant agreements;
- profit warnings;
- agreement on procedures relating to intangible assets such as inventions, patents or licences;
- litigation;
- change in strategic company personnel;
- treasury share operations;
- submission of applications or issuing proceedings for the implementation of insolvency procedures;
- request to enter into insolvency procedures;
- transactions with "related parties" (as defined in the regulation adopted by CONSOB with motion No. 17221 of March 12, 2010 and subsequent amendments, regarding transactions with related parties);
- issuing by the audit firm of a qualified statement, a negative opinion or a declaration that it cannot express an opinion;

- accounting situations to be reported in the separate financial statements, in the consolidated financial statements and in the condensed half-yearly financial statements, as well as information and accounting situations to be reported in the interim reports, when such situations are communicated to external parties, except where the external parties are required to respect confidentiality and the communication is carried out in compliance with the applicable obligations, or where a sufficient degree of certainty has been established; and
- the decisions by which the Board approves the financial statements, the proposal to distribute the dividend, the consolidated financial statements, the condensed half-yearly financial statements and the interim reports.

Article 6

Confidentiality during the formulation phase of Inside Information

1. Covered Persons and Employees shall implement every measure and exercise caution to:
 - avoid access to and the circulation of confidential information which could be of an inside nature to unauthorised persons, maintaining the confidentiality of all documents and information acquired during the carrying out of their duties; and
 - use the aforementioned documents and information exclusively for the execution of their functions.
2. Covered Persons and Employees who have access to confidential documents and information shall safeguard them by implementing suitable protective measures to minimise the risks of access and unauthorised use.
3. The paper and/or electronic documents issued containing inside information shall highlight their extremely confidential nature by carrying the Italian annotation 'STRETTAMENTE RISERVATO' ('STRICTLY CONFIDENTIAL').
4. The Relevant Persons and Employees are personally responsible for the safekeeping of the confidential information that they access and shall ensure that such documents are kept in a suitable place and shall only allow access to authorised personnel. Where documents relating to Inside Information are lost, the Covered Persons and Employees involved shall, without delay, inform the Appointed Officer, detailing the conditions and circumstances, so that the correct

procedures may be implemented including the issuing of a press release.

Article 7

Communication to third parties of information concerning the company

1. The Appointed Officer shall, on behalf of the company, manage all relations with the communication bodies, with professional investors, financial analysts and shareholders.
2. The circulation of Inside Information to persons indicated at the first paragraph is in any case carried out without delay, in a complete, timely and sufficient manner, also to avoid distorted information amongst investors or the creation of situation which may influence the listing prices of the company's Financial Instruments.
3. Where the other Relevant Persons are requested by a third party to circulate information, data and documents not bound by confidentiality concerning the company or its Subsidiaries, these Relevant Persons should request approval from the Appointed Officer and shall receive in writing approval to release such information.
4. Where the information is classifiable as Inside Information and qualifies as Inside Information, all external communication shall be the exclusive responsibility of the Appointed Officer, who following consultation with the Nomad, will ensure application of Articles 7 and 17 of the Regulation, communicating this in writing to the interested parties.

Article 8

Confidential communication of Inside Information

1. The company may communicate confidentially Inside Information through the Chairman and/or the Chief Executive Officer (also through appointees), following written recording of their details and the Inside Information requested by them in the Insider Register and a declaration that the addressees are aware that they may not trade their Financial Instruments until the Inside Information is made public, to the following categories of addressees:
 - i. consultants of the company and any other consultants involved in or who may become involved in developments or the matters in question;
 - ii. the company appointed to audit the accounts;

- iii. parties with whom the company is negotiating or intends to negotiate any commercial, financial or investment transaction (including probable subscribers or parties placing their financial instruments);
- iv. banks within the scope of loan authorisation activities;
- v. ratings agencies;
- vi. Employee representatives or the representing trade unions;
- vii. any government office, CONSOB, the Bank of Italy, the Anti-trust Authority, Borsa Italiana S.p.A. and any other institutional or regulatory body or authority.

2. The persons cited in the first paragraph are required not to release, in any manner, in Italy or abroad, the Inside Information relating to the company and its Subsidiaries of which they become aware. For these purposes, the company informs these persons in writing and stipulates confidentiality agreements covering express consent to (i) their receipt (ii) to not utilise this information, or attempt to utilise such, through the cancellation or amendment of a previously sent order concerning a Financial Instrument and (iii) to maintain the confidentiality of this Information. The confidentiality obligation also relates to information and documents acquired when carrying out their duties, including the content of discussions carried out during Board meetings.

3. Where the Appointed Officer has reason to believe that there has been or likely to have been a breach of the obligation to confidentiality, and in any case, his/her knowledge could possibly result in a substantial movement in the prices of the Financial Instruments, he/she shall co-ordinate with the Nomad so as to proceed without delay with publication of this Inside Information.

Article 9
Communication of Inside Information

1. The company, as soon as possible, announces to the public Inside Information directly concerning it, according to methods which permit quick access and a complete, correct and timely assessment. In particular, the company, through the Investor Relator function, should announce to the public this information simultaneously (on the same day) in the case of intentional circulation, and without delay (on the same day in which the chief executive directors were informed of its circulation) in the case of unintentional circulation.

Article 10
Delay

10.1 Conditions for Delay, relative assessments and monitoring

10.1.1 As an exception to Article 9 above, the company may delay, at its own risk, the communication to the public of Inside Information where all the following conditions have been met (the “**Conditions for Delay**”):

- a) immediate communication would likely prejudice the legitimate interests of the company;
- b) delay of disclosure is not likely to mislead the public;
- c) the company is able to ensure the confidentiality of the information.

10.1.2 In the case of a protracted process that occurs in stages and that is intended to bring about, or that results in, a particular circumstance or a particular event, the company may at its own risk delay the public disclosure of inside information relating to this process, subject to the satisfaction and continuance of the Conditions for Delay, as stated below.

10.1.3 The decision whether to delay disclosure lies with the Chairman of the Board of Directors, who also identifies the beginning of the period of delay and its probable conclusion. Where concerning an issue within the remit of the Board of Directors, the Chairman of the Board of Directors may refer the decision upon delay to the Board. Assessments with regard to the existence of the Conditions for Delay are made with the support of the Legal Manager and the competent company structures.

10.1.4 Where the communication of Inside Information is delayed as per this Article 10 and the confidentiality of such may no longer be guaranteed, the company communicates as soon as possible such Inside Information in accordance with Article 9 above. Confidentiality is considered to be breached also in the case in which a rumor explicitly relates to Inside Information whose disclosure has been delayed, where that rumor is sufficiently accurate to indicate that the confidentiality of the information is no longer ensured.

10.1.5 Where the company and/or a party acting in its name or on its behalf communicates the Inside Information to third parties, in the normal exercise of a profession or a function, the company is obliged to fully and effectively communicate to the public this information unless the person receiving the Inside Information is held to a confidentiality obligation, independently of whether this obligation is of a legislative, regulatory, statutory or contractual nature. The communication obligation under this paragraph 10.1.5 is discharged (i) simultaneously with communication of the Inside Information to third parties, in the case of intentional communication, and (ii) in a timely manner in the case of non-intentional communication. With regards to that outlined above, parties who become aware of having communicated Inside Information to a party not held to a confidentiality obligation inform without delay the Legal Manager.

10.1.6 Once the decision has been taken in accordance with the paragraphs above to delay the communication to the public of Inside Information, the Legal Manager, with the support of the competent company structures:

- a) act to ensure that maximum confidentiality in the processing of this Inside Information is ensured and that all necessary and timely entries to the company's Insider Register are made;
- b) constantly monitor the maintenance of the Conditions for Delay;
- c) ensure preparation of a draft press release concerning the Inside Information whose communication to the public has been delayed, in order to guarantee the timely publication of such Inside Information in the case in which, during the period of delay, such conditions are no longer in place.

10.2 Delay requirements

10.2.1 In the case in which, in accordance with paragraph 10.1 above, it has been decided to delay the communication of Inside Information, the company ensures storage on a durable support of the following information:

- (A) the date and time of:
 - the first existence of the Inside Information at the company;
 - the undertaking of the decision to delay circulation of the Inside Information; and
 - the probable circulation of the Inside Information by the company;
- (B) the identity of the persons responsible for:
 - undertaking the decision to delay the circulation of the Inside Information and the identification of the beginning of the delay period and its probable conclusion;
 - ongoing monitoring of the Conditions for Delay;
 - undertaking the decision to communicate to the public the Inside Information on conclusion of the delay or during the delay; and
 - the communication to Consob of the information requested upon the delay and of the explanation in writing;
- (C) proof of the initial satisfaction of the Conditions for Delay and any amendment in this regard during the delay period, including:
 - the protective barriers both upon the internal and external communication of the information to hinder access to Inside Information by persons other than those who at the company should have access in the normal exercise of their professional activity or function; and
 - the means established for the immediate circulation of the Inside Information subject to delay once its confidentiality is no longer guaranteed.

10.3 Delay notice

10.3.1 Where the communication of Inside Information is delayed in accordance with paragraph 10.1 above, the company notifies the delay to Consob immediately after the information has been communicated to the public, providing a written

explanation on the means by which the Conditions for Delay were satisfied.

10.3.2 The notice is prepared by the Legal Manager and the other competent company structures and is sent to Consob by the Legal Manager through certified e-mail to consob@pec.consob.it, specifying the “Markets Division” as the addressee and indicating at the beginning of the subject field “MAR Communication delay”.

10.3.3 The notice should contain the following information:

- a) complete name of the company;
- b) identity of the notifying party (name, surname and position at the company of the notifying person);
- c) contact details of the notifying party (e-mail address and work telephone number);
- d) identification of the Inside Information subject to delay: title of the press release circulated, reference number (if assigned by the circulation system), in addition to the date and time of communication to the public;
- e) date and time of the decision to delay circulation of the Inside Information;
- f) identity of all persons responsible for the decision to delay communication to the public of the Inside Information.

10.3.4 In the case in which, in accordance with the applicable regulation, the written explanation of the delay should be provided to Consob only on this latter's request, the company ensures compliance with Consob's requests, even as an exception to that stated above.

Article 11

Market soundings

1. As per the applicable regulation, a market sounding concerns a communication, before the announcement of an operation, of information to one or more potential investors in order to assess the interest of these potential investors in the possible operation and the relative conditions, such as its size and price. Conducting market soundings may require the disclosure of Inside Information.

2. The company, through the decision of the Chairman or, where applicable, the Board of Directors, may carry out, also through third parties acting in the name of or on behalf of the company, market soundings, in compliance with the conditions established by the applicable regulation.

Article 12

Violation of the communication prohibition regarding Inside Information

1. The abuse of Inside Information and market manipulation are considered offenses subject to criminal and civil penalties by persons committing such offences and may give rise to the civil liability of the company.

2. Violation of the obligations established by this Policy, even where not translating into conduct directly sanctionable by the legal authorities, constitutes serious damage for the company also in terms of image, with significant consequences in economic-financial terms, while also constituting a reason for the conclusion of relations for just cause. The violation in addition invokes the possibility for the company to request compensation for damage caused by the person responsible.

3. In the case of violation by a Director, the relevant Director may not participate in the decision-making regarding sanctions. Where the violation is committed by a majority of the members of Board of Directors, the Board of Statutory Auditors is the competent body to take appropriate measures;

4. Where committed by other Relevant Persons (other than directors and statutory auditors) and by Employees, the violation of the obligations under this regulation may constitute for the persons responsible a sanctionable offense and, in more serious cases, may result in dismissal, in addition to exposing the person committing the violation to the risk of possible criminal and civil penalties.

5. Where the company is sanctioned for a violation of the corporate disclosure provisions following non-compliance with the principles established by this policy, the Board of Directors seeks to conclude a settlement with the persons responsible for these violations, in order to obtain reimbursement for charges stemming from the payment of these sanctions, subject to any additional claim for damages (including image related).

6. The Board of Directors, on the proposal of the Appointed Officer, adopts against those responsible for the violation of the above provisions, the measures set out under the labour contract regulation (where concerning the respective executives or employees), in addition to the provisions of the Civil Code.
