



AMPLIFON S.p.A.

**PROCEDURE FOR THE INTERNAL MANAGEMENT AND DISCLOSURE OF
CORPORATE DOCUMENTS AND INFORMATION, WITH PARTICULAR REFERENCE
TO RELEVANT INFORMATION AND INSIDE INFORMATION**

General

In order to update the management of Inside Information and of Relevant Information as provided for by recent EU legislation, and in particular, by articles 7 and subsequent of Regulation (EU) 596/2014 (“**MAR**”), as well as by the indications contained in the Guidelines on “*Inside Information Management*” (the “**Guidelines**”) published by Consob in October 2017, on 26 July 2018 the Board of Directors of Amplifon S.p.A. (the “**Company**”) approved necessary amendments to this procedure (the “**Procedure**”).

This Procedure has been amended and updated, based on the legal framework in effect at the date of approval by the Board of Directors, and is therefore subject to amendments that may be necessary as a result of developments in primary and secondary legislation and best market practices.

This Procedure is related to the procedure on the establishment and maintenance of the Insider List (**Annex 1**), the Relevant Information Management Procedure (**Annex 2**) and the Code of Conduct on internal dealing, to which reference is made.

1. Definitions

For the purposes of this Procedure, the following terms and expressions will have the meaning given to them below:

“**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.

“**Inside Information Management Function (FGIP, *Funzione Gestione Informazioni Privilegiate*)**” means an organisational unit, and specifically the Chief Executive Officer, who, with the help of the Group Chief Financial Officer, the Group Legal and Corporate Affairs Officer, the Group Risk and Compliance Officer and the Investor Relation Director in office, is in charge of managing and implementing the Relevant Information Management Procedure, as better defined in Annex 2 below.

“**Organisational Functions in charge of Inside Information (FOCIP, *Funzioni organizzative competenti Informazioni Privilegiate*)**” means the departments or organisational units involved on various bases in the processing of each of the main types of Relevant Information, and which comply with the indications given in the Procedure and respond to the instructions given and the requests made by the FGIP.

“**Group**” means the Company and its Subsidiaries.

“**Inside information**”, pursuant to article 7 of the MAR, means information of a precise nature, which has not been made public, relating, directly or indirectly, to the Company or one of its Subsidiaries or Financial Instruments, and which, if it were made public, would be likely to have a significant effect on the prices of the Financial Instruments or on the prices of related financial instruments.

For the purposes of this definition,

- information shall be considered of "*a 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 event as per letter (a) above on the prices of the Financial Instruments or the corresponding related financial instrument.

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.

- “*information which, if it were made public, would be likely to have a significant effect on the prices of financial instruments*”, means information a reasonable investor would be likely to use as part of the basis of his or her investment decisions.

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 herein.

“**Relevant Information**” means information related to data, events, projects or circumstances that directly concern the Company continuously, repeatedly, regularly, from time to time, occasionally or unexpectedly and that may take the nature of Inside Information at a later, even proximate time.

“**Confidential Information**” means information of the Company that must be kept confidential but which cannot be qualified as Relevant Information or Inside Information due to the absence of one or more requirements as of their respective definitions.

“**Relevant Information Management Procedure**” means the procedure for the mapping and management of Relevant Information (see Annex 2).

“**Insider List**” means the list, compiled in compliance with article 18 of the MAR, of all persons who have access to Inside Information and who are working under a contract of employment, or otherwise performing tasks through which they have access to Inside Information, such as advisers, accountants or credit rating agencies.

“**Subsidiaries**” mean the subsidiaries of the Company pursuant to article 2359 of the Italian Civil Code and/or included in the scope of consolidation pursuant to IAS/IFRS.

“**Persons Concerned**” mean the persons as of article 2.3 below.

“**Financial Instruments**” mean any financial instrument issued by the Company.

2. Scope of application

2.1. This Procedure regulates processes for the internal management and disclosure of documents concerning the Company and Subsidiaries, with particular reference to Relevant Information and Inside Information.

2.2. The Company's chief aim is therefore to make these information, whether it is Relevant Information or already qualified as Inside Information, available only to persons who, because of their position or function held within the Company, have an actual interest, and to take action so that this information is limited to said persons and in particular to prevent any dangerous leaks of information before official disclosure according to procedures and times established by law. The Company is also responsible for regulating disclosure in compliance with article 114 of the Italian Legislative Decree 58/1998 (“TUF”) concerning the disclosure of Inside Information.

2.3. This Procedure applies to:

- (a) members of the Board of Directors and Board of Statutory Auditors of the Company;
- (b) persons who act as senior executives of the Company and who, although they are not members of the Board of Directors of the Company, have regular access to Inside Information relating directly or indirectly to the Company and power to take managerial decisions affecting the future developments and business prospects of the Company;
- (c) all persons who, based on their work or professional activities or functions carried out, have access to Inside Information.

The persons as of letters a), b) and c) above, are, collectively referred to as the “**Persons Concerned**”.

2.4. To comply with this Procedure and more in general with legal obligations, the Company issues adequate instructions to Subsidiaries and ensures that information flows to the parent company are prompt and correct. With regard to the Subsidiaries, it is specified that they are not bound under article 18 of the MAR Regulation to keep an Insider List of their own.

3. Internal management of Relevant Information and Inside Information

3.1. Main functions of the FGIP

3.1.1. The Company confers on the FGIP all necessary authorities, resources and responsibilities for the full, timely and effective performance of the tasks related to the obligations under MAR regarding the management of Relevant Information and management and publication, as appropriate, of Inside Information.

3.1.2. The FGIP, supported by the FOCIPs and the Group Legal and Corporate Affairs Officer:

- a. contributes to define and regularly evaluate the Relevant Information Management Procedure;
- b. gives instructions to the FOCIPs for the proper implementation of the Procedure;
- c. maps the types of Relevant Information and establishes the criteria for their identification;
- d. identifies the specific Relevant Information from time to time;
- e. gives instructions for the proper management of the list of the persons who have access to the specific Relevant Information (“RIL” as indicated in Annex 2);
- f. monitors the flow of the specific Relevant Information;
- g. identifies the time at which a specific Relevant Information becomes Inside Information;
- h. decides the time of publication of Inside Information;
- i. monitors the existence of the conditions to delay the publication of Inside Information;
- j. monitors the flow of Inside Information;
- k. is supported, particularly for the tasks under letters g) and h), by the Group Chief Financial Officer, the Group Legal and Corporate Affairs Officer, the Group Risk and Compliance Officer and the Investor Relation Director.

3.2. Evaluation of the nature of information and responsibilities for the management of Relevant Information and Inside Information

3.2.1. The FGIP, in agreement with the Chief Financial Officer and the Group Legal and Corporate Affairs Officer as applicable, evaluates the nature of Relevant or Inside Information of the information reported to him/her or which otherwise comes to his/her knowledge, concerning the Company, Subsidiaries and/or the Group.

The following is a list that includes, without limitation, some types of Inside Information that might be of concern to an issuer:

- (a) ownership structure;
- (b) composition of the management;
- (c) incentive plans of the management;
- (d) activities of the auditors;
- (e) transactions involving capital;
- (f) issuance of financial instruments;
- (g) features of the financial instruments issued;
- (h) acquisitions, mergers, demergers, etc.;
- (i) restructuring and reorganizations;
- (j) transactions on financial instruments, buy-back and accelerated book-building;
- (k) insolvency procedures;
- (l) litigation;
- (m) withdrawal of credit facilities;
- (n) depreciation / appreciation of portfolio assets or financial instruments;
- (o) patents, licences, rights, etc.;

- (p) insolvency of important debtors;
- (q) destruction or damage to uninsured properties;
- (r) purchase or sale of assets;
- (s) company performance;
- (t) changes in expected financial results for the period (profit warning and earning surprise);
- (u) entry into (or exit from) markets;
- (v) changes in investment plans;
- (w) dividend distribution policy.

3.2.2. The Group Legal and Corporate Affairs Officer, the Chief Financial Officer, the Investor Relator and Group Risk and Compliance Officer (with the FOCIPs involved, as applicable), may assist the FGIP in the above evaluations, and as concerns all statutory and regulatory aspects relating to obligations and procedures for market disclosure.

3.2.3. Without prejudice to article 3.2.1 above, in order to meet market disclosure obligations, Persons Concerned and or the FOCIPs shall promptly inform FGIP or Chief Financial Officer of all information concerning the Company, Subsidiaries and/or the Group that they consider, in their reasonable and presumptive judgment, might become Relevant or Inside Information, that comes to their knowledge because of their work or professional activities, or because of functions carried out.

3.2.4. Without prejudice to article 3.2.1 above, in order to meet market disclosure obligations, employees that are Persons Concerned shall promptly inform their FOCIP manager of all information concerning the Company, Subsidiaries and/or the Group that comes to their knowledge because of their work activities and that - based on their reasonable evaluation and preliminary, presumptive opinion - they consider to be Relevant or Inside Information.

3.2.5. The Chief Financial Officer shall carry out the functions assigned by this procedure to the Chief Executive Officer, if the latter is absent, unable or unavailable to do so.

3.3. Processing of Company Information

3.3.1. Confidential Information is not subject to the Relevant Information Management Procedure (Annex 2) or to the provisions on Inside Information management, but the Persons Concerned must keep such Information confidential.

3.3.2. Persons Concerned shall:

- (a) keep all Relevant Information and Inside Information and related documents, obtained in carrying out their duties, confidential;
- (b) use said documents, Relevant Information and Inside Information solely for carrying out their functions;
- (c) strictly observe this Procedure (including the relevant annexes) and applicable laws and regulations applicable from time to time concerning the disclosure of documents, Relevant Information and Inside Information.

3.3.3. Persons Concerned that have confidential documents or documents concerning Relevant Information shall keep them in such a way as to limit risks of unauthorised access and processing.

3.3.4. Access to Relevant Information and Inside Information by persons that are not part of the Company, or Subsidiaries and more in general the Group, is allowed within the limits established by applicable laws and regulations, and only after a confidentiality agreement has been signed. In this circumstance, persons are registered on the Insider List and are given relative information.

3.3.5. The sender of hard and/or soft copies of documents with any kind of information of the Company (whether it is Confidential and/or Relevant and/or Inside Information) shall put the wording "STRICTLY CONFIDENTIAL" or other, equivalent expressions, on the documents.

3.3.6. Persons Concerned are personally responsible for retaining confidential documents they receive and for ensuring that these documents are kept in a suitable place and may only be accessed by authorised persons. If documents with Inside and/or Relevant and/or Confidential Information are lost, Persons Concerned shall immediately inform the Group Risk and Compliance Officer, indicating the conditions and circumstances of the event, so that appropriate measures may be taken, including, after involving the FGIP and the persons who support it, the publication of a notice.

3.3.7. Each Person Concerned shall take all measures and/or actions to prevent information being obtained by third parties who, based on duties carried out within the company, do not need to have knowledge of Confidential and/or Relevant and/or Inside Information.

3.3.8. Confidential and/or Relevant and/or Inside Information shall be processed taking all necessary measures so that the information may circulate in the company, without affecting its confidential nature.

3.3.9. Anyone who becomes aware of a failure to comply with the regulations in this Procedure, or the dissemination of confidential information outside institutional channels, shall promptly inform the Group Risk and Compliance Officer and the Group Legal and Corporate Affairs Officer in order for suitable measures to be adopted.

3.3.10. Persons Concerned shall comply with the rules in this Procedure (including the two annexes thereof) and refrain from a conduct that is in contrast with the procedure and with laws in general. In this regard, the Company shall publish this Procedure on its own website www.amplifon.com/corporate in the Governance section and in case of registration in the Insider List, the Company shall send a notice containing the burdens, administrative measures and sanctions, to which they are subject in case of infringement of the applicable legislation, as provided for by the MAR.

4. Procedure for the disclosure of Inside Information and external relations

4.1. Inside Information is disseminated in compliance with applicable regulations; the relative press release shall include all information which is appropriate for a complete evaluation of events, circumstances and financial data represented, as well as for connections and comparisons with the content of previous press releases.

4.2. Press releases concerning periodic information (financial statements, interim report, interim report on operations, etc.) are approved by the Board of Directors and are disseminated in compliance with laws and regulations issued by the supervisory authorities.

4.3. With specific regard to forecasts and quantitative objectives, the Company shall inform the public in case of significant deviation in the actual operations from any data previously disclosed. Press releases on forecasts are overseen by the Chief Executive Officer, the Chief Financial Officer and the Investor Relator.

4.4. In all other cases, the Chief Executive Officer manages disclosure to the public, assisted by the Investor Relator and by company functions selected based on the type of press release to issue. If the data and information to disclose include references to specific details (such as data on financial position and performance, investments, the use of personnel, etc.), these details shall be previously validated by relevant company functions.

4.5. The dissemination of press releases is coordinated by the Investor Relator, as regards legal obligations (dissemination via SDIR - systems for the dissemination of regulated information) and other notices to the press and institutional investors.

- 4.6.** Press releases concerning Inside Information are issued in Italian and English.
- 4.7.** Inside Information shall always be disclosed promptly, in compliance with principles of fairness, clarity, transparency, continuity and equal access to information (information symmetry).
- 4.8.** In preparing press releases, the Company complies with instructions issued by Borsa Italiana S.p.A. on the minimum content and types of price-sensitive notices.
- 4.9.** Before disseminating documents and information to the public, it is strictly forbidden for anyone to give interviews to the press or to make statements in general that contain Confidential, Relevant or Inside Information, and in particular forecasts that have not been previously disclosed in press releases and/or documents already made public.
- 4.10.** When the Company, or a person acting in its name or on its behalf, discloses Inside Information to third parties, during the normal course of professional activities or functions, the Company shall disclose said information in full to the public - at the same time if disclosure is intentional, and promptly if disclosure is unintentional. The above does not apply if the person receiving information is required to keep it confidential, regardless of whether this obligation is a legal, regulatory, statutory or contractual requirement.
- 4.11.** Relations with the financial community and media are managed by the Investor Relator, under the responsibility of the Chief Executive Officer and Chief Financial Officer.

5. Delays - Rumours

5.1. The FGIP, in agreement with the Chief Financial Officer, the Group Legal and Corporate Affairs Officer and the Investor Relator as applicable, may legitimately decide whether to delay the disclosure of Inside Information to the public, pursuant to article 17, paragraph 3 of the MAR. In particular, disclosure to the public of Inside Information may be delayed if all of the following conditions are met:

- (a) immediate disclosure is likely to prejudice the legitimate interests of the Company;
- (b) delay of disclosure is not likely to mislead the public; and
- (c) the Company is able to ensure the confidentiality of that information.

If a certain piece of Relevant Information is reasonably likely to become inside information within a short time, the Company before deciding whether to qualify it as inside information, shall consider if the conditions to eventually delay the disclosure to the public pursuant to article 17, paragraph 4 or article 17, paragraph 5 of the MAR are met. As for information that has unexpectedly become Inside Information, such evaluation is performed as soon as possible once the nature of Inside Information is verified.

5.2. The Group Legal and Corporate Affairs Officer, the Investor Relator and the Group Risk and Compliance Officer (with the FOCIPs involved, as applicable), may assist the FGIP in the above decisions.

5.3. 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, on its own responsibility, delay the public disclosure of Inside Information relating to this process, subject to the conditions as of letters (a), (b) and (c) of paragraph 5.1 of this Procedure.

5.4. To delay the disclosure of Inside Information, also for the purposes of notifying and explaining the delay in writing to Consob, as of article 5.5. below, the Company uses resources which ensure that the following information is accessible, legible and stored on long-term media:

- (a) the date and time: (i) of the initial existence of the Inside Information at the Company; (ii) of the decision taken to delay the disclosure of Inside Information; (iii) of the probable disclosure of Inside Information by the Company;
- (b) the identity of people within the Company that are responsible for: (i) taking the decision to delay the disclosure and the decision establishing the period of the delay and its probable end; (ii) continually monitoring the conditions allowing for the delay; (iii) taking the decision to disclose Inside Information to the public; (iv) notifying Consob of information required concerning the delay and an explanation in writing;
- (c) evidence that the conditions as of article 5.1 above are initially met and of any change taking place during the period of the delay.

5.5. Unless otherwise indicated by Consob, when the Company has delayed the disclosure of Inside Information as provided for above, this delay will be notified to Consob and a report provided in writing indicating (i) the reasons for the delay and (ii) the explanation whereby the conditions as of letters a), b) and c) of section 5.1 are met, immediately after the information has been disclosed to the public.

5.6. The FGIP, in agreement with the Chief Financial Officer, the Group Legal and Corporate Affairs Officer and other FOCIPs involved pursuant to article 5.2, monitors compliance with the conditions of confidentiality of the Inside Information for which disclosure has been delayed in compliance with sections above. If the conditions to keep the Inside Information confidential no longer apply (for example as a result of rumours), the FGIP, in agreement with the Chief Financial Officer, the Group Legal and Corporate Affairs Officer and the Investor Relator as applicable, shall evaluate as soon as possible whether and under what terms it is necessary to disclose such Inside Information to the public.

5.7. If rumours are spread concerning the financial position and performance of the Company, Subsidiaries and/or the Group, or extraordinary financial operations, or the business performance of the Company, Subsidiaries and/or the Group, the FGIP, in agreement with the Chief Financial Officer as applicable, will assess the situation to promptly verify the need to disclose and/or the advisability of disclosing Inside Information to the public that was previously delayed, as the rumours are sufficiently accurate for the confidentiality of said Inside Information to be considered as no longer being guaranteed.

6. Non-compliance with the Procedure and Sanctions

6.1. The unauthorised use and dissemination of Inside Information is subject to sanctions being applied in compliance with applicable statutory and regulatory provisions.

6.2. In the case of failure to comply with the provisions of this Procedure, the Company and Subsidiaries – in their area of responsibility - will adopt the measures established by employment contracts (in the case of executives or employees), and by applicable statutory and regulatory provisions, against persons responsible.

6.3. Failure to comply with this Procedure may result in the defaulting party being requested to pay for all damages sustained by the Company, and the most suitable measures established and allowed by law being adopted.

6.4. Failure to comply with the provisions of this Procedure, even if not subject to sanctions by the judicial or other competent authorities, may seriously damage the Company, also in terms of image, with significant economic and financial consequences.

6.5. The Board of Directors of the Company is responsible for taking appropriate measures in the event of breach of the Procedure. If the breach is committed by a Company director, said director may

not be involved in decisions concerning sanctions. If the majority of Board members have been involved in the breach, the Board of Statutory Auditors of the Company will take appropriate measures.

7. Final provisions

7.1. For any matters not specifically addressed by this Procedure, statutory, regulatory and self-regulation provisions in force shall apply.

7.2. The Board of Directors shall monitor compliance with all procedures issued and being issued on the management and disclosure of company information and documents, assisted, where deemed necessary, by the Control, Risks and Sustainability Committee.

7.3. The Chief Executive Officer, assisted by the Chief Financial Officer, Group Legal and Corporate Affairs Officer, Investor Relator and Group Risk and Compliance Officer shall amend this Procedure when necessary based on statutory and regulatory developments and/or organisational changes to the Company that will be then submitted to the Board of Directors for approval.

8. Annexes

8.1. The following annexes are an integral part of this Procedure:

- **Annex 1**: PROCEDURE FOR THE MANAGEMENT AND UPDATING OF THE REGISTER OF PERSONS WITH ACCESS TO INSIDE INFORMATION (“Insider List”);
- **Annex 2**: RELEVANT INFORMATION MANAGEMENT PROCEDURE.

ANNEX 1

PROCEDURE FOR THE MANAGEMENT AND UPDATING OF THE REGISTER OF PERSONS WITH ACCESS TO INSIDE INFORMATION (“Insider List”)

The purpose of this document is to describe the process of management and updating of the “Register of persons with access to Inside Information” (or Insider List) according to Article 18 of the Regulation (EU) No 596/2014 (“MAR”) and the provisions of the implementing Regulation (EU) 2016/347.

DEFINITIONS

Insider List

For the definition of “Insider List”, we refer to section “1. Definitions” of the Procedure, of which this annex is an integral part.

As explained by ESMA (section 10.1 Q&A ESMA (Version 8)) alongside the obligations of the Company, the persons acting on behalf or account of the Company are subject to the obligation to draw up their own Insider List.

Inside Information

“Inside Information”, under article 7 of the MAR, means information of a precise nature, which has not been made public, relating, directly or indirectly, to the Company or a Subsidiary 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. For the purposes of this definition,

- information shall be deemed to be of *a 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 event under letter a) on the prices of the financial instruments or the related derivative financial instrument.

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.

- “*information which, if it were made public, would be likely to have a significant effect on the prices of financial instruments*” means information that a reasonable investor would be likely to use as part of the basis of his/her investment decisions.

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.

Persons registered in the Insider List

“Persons registered in the Insider List” means persons who have access to Inside Information, with whom a professional collaboration relationship exists, whether under an employment contract or otherwise, and who, in carrying out certain duties, have access to Inside Information, such as consultants, accountants or credit rating agencies.

Person in Charge

“Person in Charge” is the Group Legal and Corporate Affairs Officer in charge of managing the Insider List, and who is therefore responsible for:

- taking all actions to ensure, in particular, that the Insider List be constantly kept up to date and, to the extent possible, the traceability of the information flows to each person involved;
- adopting all reasonable measures to ensure that all persons included in the Insider List acknowledge in writing the legal and regulatory obligations related thereto and be aware of the sanctions that may be imposed in case of insider dealing and unlawful disclosure of inside information;
- providing the Insider List to the competent authority as soon as possible upon its request.

FORMAT

The Insider List is kept in an electronic format in accordance with Annex I to the Implementing Regulation (EU) 2016/347, to ensure rapid analysis and extraction of data. Access to the Insider List is only permitted to the Person in Charge and the persons authorized by the same.

The electronic format shall at all times ensure:

- (a) the confidentiality of the information included by ensuring that access to the insider list is restricted to clearly identified persons that need that access due to the nature of their respective function or position;
- (b) the accuracy of the information contained in the Insider List;
- (c) the access to and the retrieval of previous versions of the Insider List.

The Insider List consists of two sections:

- **Occasional Section:** which lists – for each Inside Information – the persons that have access to such information. A new section is added to the list for each new Inside Information identified. This section is drawn up in accordance with Template 1 of Annex I to the Implementing Regulation (EU) 2016/347.
- **Permanent Section:** a supplementary section, which includes the data of the persons who have or – due to the nature of their function within the company organization – may be reasonably expected to have access at all times to all Inside Information, in accordance with the provisions of the Inside Information Management Procedure. This section is drawn up in accordance with Template 2 of Annex I to the Implementing Regulation (EU) 2016/347.

The details of the persons listed in the Permanent Section need not be included in the Occasional Section.

The Insider List includes at least:

- details of all individuals having access to Inside information;
- the reason for being on the Insider List and the section in which such person is included;
- the date and time at which the person had access to the Inside Information (which coincides with the date and time of inclusion in the Insider List);
- the date of creation of the Insider List.

For the purposes required under legislation in force, the Company may have an obligation to process certain personal data of persons included in the Insider List and concerning them. The personal data to which the Company has access due to notices received will be processed in accordance with this procedure, even through third parties, for the only purpose of complying with the applicable legislation. Insiders have therefore an obligation, under the laws and regulations described above, to provide

personal data and information to the Company. This latter, as Data Controller, will process such data and information for the purposes and using the methods described in more detail in the policy drawn up in accordance with article 13, Regulation 2016/679 on the protection of personal data (“**GDPR**”) and with other applicable laws. The legal basis for the processing of these personal data lies both in a legal obligation and in the evaluation by the Company, as Data Controller, of the existence of a legitimate interest to fraud prevention and market protection, for the effects and purposes of the GDPR, as subsequently amended and supplemented. Refusal to provide the requested data would result in the impossibility for the Company to comply with requirements under applicable legislation and therefore justify the imposition of the related sanctions.

On the occurrence of a relevant circumstance requiring inclusion in or updating of the Insider List, the Person in Charge, or a person identified by the same, shall be informed by the FOCIP or by the persons concerned and shall start the procedure of disclosure and updating of the Insider List.

In particular, the Company, through the Person in Charge, shall promptly update the Insider List, adding the date of the update, in any of the following circumstances:

- changes in the reason for inclusion of a person already included in the Insider List;
- another person has access to Inside Information, who must therefore be added to the Insider List;
- a person no longer has access to Inside Information.

Each update indicates the date and time at which the change requiring the update has occurred.

Information related to the Persons listed in the Insider List are kept by the Company for 5 years following the inclusion and the update, as required by article 2, paragraph 4 of the Implementing Regulation (EU) 2016/347.

Under the Procedure, the persons concerned shall be promptly informed of and shall acknowledge in writing:

- their inclusion in the Insider List;
- the obligations laid down in related laws and regulations, being also informed of the sanctions that may be imposed in case of insider dealing and of unlawful disclosure of Inside Information;
- that they consent to their personal data being processed under applicable privacy legislation and that they have read and understood all information related to the processing of personal data concerning them.

The above information shall be provided through a notice substantially in conformity with **Template 1** attached to this Procedure.

The Person in Charge shall also inform the Persons already included in the Insider List of any updates concerning them, by a notice substantially in conformity with **Template 2** attached hereto, as well as of their removal from the Insider List as appropriate, by a notice substantially in conformity with **Template 3** attached hereto.

The Person in Charge, or a person identified by the same, shall keep track of the communications with all persons included in the Insider List and shall store all statements signed by such persons in a specific section of the Insider List.

As regards the laws concerning the Persons included in the Insider List and the rules of conduct consequently adopted by the Company, reference can be made to the Procedure for the management of Inside Information, to which this Procedure is attached as an annex.

Template 1
Information for Persons Listed in the Insider List

* * * * *

First Name Surname
Company

Dear Mr./Ms. [Surname],

Starting from 3 July 2016, the Regulation (EU) No. 596/2014 (“**MAR**”) on market abuse entered into force, laying down, *inter alia*, obligations to draw up, keep and update the register of persons with access to inside information, previously regulated by other laws (*i.e.* art. 115-bis, Italian Legislative Decree No 58 of 24 February 1998, and arts. 152-*bis* to 152-*quinquies* of CONSOB Regulation No 11971/1999).

In compliance with the provisions of art. 18 of the MAR, Amplifon S.p.A. (the “**Company**”) has established its register of persons with access to inside information (“**Insider List**”).

In this regard, by this notice, we inform you that we have included you in the Insider List as a person having regular/occasional access to such information in carrying out the following duties <**specify duties**> within <**specify the company**>

Responsibilities of the persons included in the Insider List

Compliance by the persons included in the Insider List with the obligations of confidentiality regarding the information to which they have access is essential, without prejudice to all and any other consequence that may involve the relationships with the Company and however the possibility of the Company to seek recourse for any damages it may incur due to the breach of the above obligations.

In this regard, please note that each person included in the Insider List is responsible for ensuring the traceability of information management and the confidentiality of the information within their scope of activity and responsibility, starting from the moment when they have come into possession of Inside Information relevant to the business of the Company or to the single project/event by any means (*i.e.*, by correspondence, during meetings and/or in any other way).

If the insider discloses the information, even involuntarily, to any person who is not in possession of the same (even if already included in the Insider List for other reasons) the insider shall immediately inform the Person in Charge.

For such purpose, it is specified that if the insider is a legal person, an entity or a professional associations or uses the services of employees, collaborators or consultants who have or may have access to Inside Information, the Company shall include in the Insider List only the reference person/s, with whom it comes directly in contact. The reference person – and not the Company– will be responsible for drawing up its own Insider List, including all persons who have or may have access to Inside Information. The Company shall not answer for the accuracy of the data included in the Insider List of such legal persons, entities or professional associations.

We also recommend taking specific practical measures (e.g. passwords on documents, use of network folders with restricted access, specific mention of the confidentiality in the subject of communications sent via e-mail) to ensure the confidentiality of the Inside Information of which you are aware and that is being circulated.

Sanctions

Please keep in mind, moreover, that title I-*bis* of the TUF provides for specific sanctions in case of inside dealing and market manipulation. Pursuant to art. 39, paragraph 1, of Law No 262/2005, the sanctions indicated in Title I-*bis*, Chapter II, of the TUF, are doubled, within the limits set for each type of penalty in Book I, Title II, Chapter II of the Italian Criminal Code.

- **Insider Dealing¹**

In particular, criminal sanctions under article 184 of the TUF and administrative sanctions under article 187-*bis* of the TUF are imposed on any person who, being in possession of Inside Information as a result of being a member of administrative, managing or supervisory bodies of the Company, having a holding in the capital of the Company, or through the exercise of an employment, profession or duties, including public duties; or through an office held,

- (a) acquires, sells or otherwise disposes of, for its own account or for the account of a third party, directly or indirectly, financial instruments using such information;
- (b) discloses such information to any other persons other than in the normal exercise of an employment, a profession or duties;
- (c) recommends or induces another person, on the basis of such information, to engage in any operation mentioned in letter a).

The criminal sanctions that may be imposed by the judge consist of imprisonment for one to six years and a fine of EUR 20,000 to EUR 3,000,000; CONSOB has the power to impose administrative sanctions by an order stating the relevant reasons, from EUR 100,000 to EUR 15 million.

The above administrative pecuniary sanction also applies to any person who possesses Inside Information and carries out any of the described operations, where that person knows or ought to know, using ordinary diligence, that it is Inside Information.

The judge may increase the fine up to three times or up to the higher amount corresponding to ten times the proceeds or profits of the offence when, due to the seriousness of the infringement, the personal

¹ Although the national measures implementing the MAR have not been adopted yet, we note that art. 8 of the MAR states: “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. In relation to auctions of emission allowances or other auctioned products based thereon that are held pursuant to Regulation (EU) No 1031/2010, the use of inside information shall also comprise submitting, modifying or withdrawing a bid by a person for its own account or for the account of a third party. 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.” Art. 10 of the MAR separately regulates unlawful disclosure of inside information, that is, the typical tipping conduct, already included in pre-existing provisions. As regards the penalties, art. 30, par. 2, letter i), no i) of the MAR states, in relation to the infringement of insider dealing and unlawful disclosure of inside information, “Member States shall, in accordance with national law, ensure that competent authorities have the power to impose [...] maximum pecuniary administrative sanctions of at least EUR 5,000,000”.

qualities of the offender or the amount of the proceeds or profit obtained through the offence, the fine would be inadequate even if the maximum amount was applied. Administrative pecuniary sanctions are increased up to three times or up to the higher amount corresponding to ten times the proceeds or profits obtained through the infringement when, due to the personal qualities of the offender or the amount of the proceeds or profit obtained through the infringement, they would be inadequate even if the maximum amount was applied.

- **Market manipulation²**

² Although the national measures implementing the MAR have not been adopted yet, we note that art. 12 of the MAR states: "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 as established in accordance with Article 13;
- 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 an auctioned product based on emission allowances or 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, 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;
- d) transmitting false or misleading information or providing false or misleading inputs in relation to a benchmark where the person who made the transmission or provided the input knew or ought to have known that it was false or misleading, or any other behaviour which manipulates the calculation of a benchmark.

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 or auctioned products based on emission allowances 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(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 persons 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 an auctioned product based on emission allowances (or indirectly about its issuer) while having previously taken positions on that financial instrument, a related spot commodity contract or an auctioned product based on emission allowances and profiting subsequently from the impact of the opinions voiced on the price of that instrument, related spot commodity contract or an auctioned product based on emission allowances, without having simultaneously disclosed that conflict of interest to the public in a proper and effective way;
- e) the buying or selling on the secondary market of emission allowances or related derivatives prior to the auction held pursuant to Regulation (EU) No 1031/2010 with the effect of fixing the auction clearing price for the auctioned products at an abnormal or artificial level or misleading bidders bidding in the auctions.

For the purposes of applying paragraph 1(a) and (b), and without prejudice to the forms of behaviour set out in paragraph 2, Annex I defines non-exhaustive indicators relating to the employment of a fictitious device or any other form of deception or contrivance, and non-exhaustive indicators related to false or misleading signals and to price securing.

Where the person referred to in this Article 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 activities for the account of the legal person concerned".

As regards the sanctions, art. 30, para 2, letter i), no i) of the MAR states that, in relation to the infringement of market manipulation "Member States shall, in accordance with national law, ensure that competent authorities have the power to impose [...] maximum pecuniary administrative sanctions of at least EUR 5,000,000".

Under articles 185 and 187-*ter* of the TUF, any person who disseminates false information or engages in fictitious transactions or other stratagems specifically designed to cause appreciable alterations in the price of financial instruments is punished with imprisonment for one to six years and a fine of EUR 20,000 to EUR 5 million or – without prejudice to the criminal sanctions when the infringement is a criminal offence – with an administrative pecuniary sanction of EUR 100 000 to EUR 25 million.

Without prejudice to any criminal sanctions when the infringement is a criminal offence, the above administrative pecuniary sanction is imposed on any person who puts in place:

- (a) operations or orders to trade which give or are likely to give, false or misleading signals as to the supply of, demand for, or price of, a financial instrument;
- (b) operations or orders to trade which have the effect, through the conduct of a person or of persons acting in collaboration, to fix the market price of one or more financial instruments at an abnormal or artificial level;
- (c) operations or orders to trade which employ a fictitious device or any other form of deception or contrivance;
- (d) any other stratagem specifically designed to give false or misleading signals as to the supply of, demand for, or price of, a financial instrument.

No administrative pecuniary sanction shall be imposed for the infringements under letters a) and b) above if the person involved proves that the behavior has been carried out for legitimate reasons and conforms to accepted market practice in the relevant market.

The judge may increase the fine up to three times or up to the higher amount corresponding to ten times the proceeds or profits of the offence when, due to the seriousness of the infringement, the personal qualities of the offender or the amount of the proceeds or profit obtained through the offence, the fine would be inadequate even if the maximum amount was applied. Administrative pecuniary sanctions are increased up to three times or up to the higher amount corresponding to ten times the proceeds or profits obtained through the infringement when, due to the personal qualities of the offender or the amount of the proceeds or profit obtained through the infringement, they would be inadequate even if the maximum amount was applied.

Administrative sanctions

Under art. 186 of the TUF, if a person is sentenced for the crimes of insider dealing and market manipulation, the administrative sanctions under the following provisions of the Italian criminal code will be imposed: article 28 (ban from holding public office), 30 (ban from exercising a profession or an art), 32-*bis* (temporary ban from exercising management functions in legal persons and firms) and 32-*ter* (disqualification from entering into contracts with the public administration) for at least six months and not longer than two years. The judgment is published on at least two national daily newspapers, one of which must be a business daily.

Other administrative measures

Under art. 187-*quater* of the TUF, the imposition of administrative pecuniary sanctions for insider dealing and market manipulation implies, for a person exercising managerial responsibilities in listed companies, a temporary ban from exercising administrative, managing and supervisory duties in listed companies and companies belonging to the same group with listed companies. This administrative measure has a duration of at least two months and not longer than three years.

The Company has identified the Group Legal and Corporate Affairs Officer as the person in charge of keeping the Insider List.

In accordance with art. 13 of Regulation (EU) 2016/679 on the processing of personal data, as subsequently amended and supplemented (“**GDPR**”), we inform you that the personal data collected are required in order to draw up the Insider List and keep it up to date. Such data will be collected and stored by the Company, as data controller, using data processing and paper-based means, in compliance with

the provisions of the GDPR, in order to comply with legal obligations under laws on market abuse and processing of Inside Information, as long as required by such laws. Such data may be accessed by employees and collaborators of the controller in charge of the competent areas and duly appointed as data processors. For the same purposes, the data may be disclosed to competent authorities or to companies that provide services to the Company, acting as data controllers or processors, upon an appointment in the latter case. Data may be communicated abroad, even outside the Union, adopting appropriate measures and safeguards as required by the GDPR. The list of persons, to whom the data may be disclosed is always available upon a request made to the Company. The personal data requested are therefore necessary; refusal to provide them might result in sanctions being imposed on you and on the Company under applicable laws and/or the Procedure.

You are entitled to exercise the rights under arts. 15-22 of the GDPR (including, without limitation, the right of access to your personal data, the right to request rectification, update and erasure as appropriate when the personal data are no longer necessary for the purposes for which they were originally collected or otherwise processed) by an informal request to the data controller or processor. Lastly, if you consider that the processing of the provided personal data breaches data protection legislation, you have the right to lodge a complaint with the Italian Supervisory Authority (Autorità Garante per la protezione dei dati personali, www.garanteprivacy.it).

Place, date

Group Legal and Corporate Affairs Officer
Amplifon S.p.A.

For acknowledgement:

Template 2

Notice of updating of the personal data of Persons Included in the Insider List

* * * * *

*First Name Surname
Company*

Place, Date

Dear Mr./Ms. [Surname],

In compliance with the community and national legislation regulating access to Inside Information and market abuse, as well as with the procedure adopted by Amplifon S.p.A. regarding the drawing up and updating of the Insider List, we hereby wish to inform you that on **[indicate date and time]** your data subject to inclusion in the list and processing have been updated for the following reason:

[Indicate the reason]

Best regards,

Group Legal and Corporate Affairs Officer
Amplifon S.p.A.

Template 3

Notice of removal of Persons Included in the Insider List

* * * * *

*First Name Surname
Company*

Place, Date

Dear Mr./Ms. [Surname],

by our notice dated [Date], we informed you – under art. 17 of Regulation (EU) No 596/2014 (in force since 3 July 2016) – that we had included you in the List of persons with access to inside information as a person having regular/occasional access to information in carrying out the following duties: **<specify duties>** performed within the company **<specify company>**.

We hereby wish to inform you that due to [**reason**] you are no longer subject to the confidentiality and disclosure obligations as indicated in the above letter.

Best regards,

Group Legal and Corporate Affairs Officer
Amplifon S.p.A.

ANNEX 2



RELEVANT INFORMATION MANAGEMENT PROCEDURE

Objectives

The Company has decided to map and monitor Relevant Information flows in order to facilitate the identification of specific Relevant Information and keep such information constantly under control as of their establishment and – possible – conversion to “Inside Information”.

In order to facilitate this mapping, it is necessary in the first place to identify the areas, from which the flows of Relevant Information of the Company might originate (such as, without limitation, buy-back transactions, litigation, sale of assets, *M&A*), and the relevant FOCIP in charge of reporting the flows.

The following scheme indicates the main corporate areas, from which Relevant Information may originate, and the respective FOCIPs in charge:

FOCIP 	Board Members	CEO/MD	Statutory Auditors	HR	Finance/IR	Legal	Internal Audit	Development
AREAS 								
management Composition	X	X		X		X		
Activity of Auditors		X	X		X		X	
Transactions involving capital	X	X	X		X			
Transactions on financial instruments	X	X	X		X			
M&A	X	X	X		X	X		X
Restructuring/ reorganisations	X	X	X	X	X	X		X

RIL

In order to pursue the objectives indicated in the preceding section, the Company has established the **RIL** (*Relevant Information List*) for the management and monitoring of Relevant Information. Such list will be kept constantly up to date by the Legal and Corporate Affairs Department based on the inputs and indications that it will receive from each FOCIP.

The following is the frame of the RIL that will be used by the Company:

<u>TYPE OF INFORMATION</u>	<u>DATE CREATED</u>	<u>FOCIP</u>	<u>PERSONS INVOLVED</u>	<u>NOTES</u>	<u>CLOSURE OF RELEVANT INFO.</u>	<u>REASON/S</u>
[•]	<i>dd-mm-yy (date of establishment of the info + update</i>	[•]	[•]	<i>[short description of the Rel. Info.]</i>	<i>[conversion to Insider info. / end of project etc.]</i>	

Once a piece of Relevant Information is included in the RIL, the competent FOCIP shall constantly keep the Legal and Corporate Affairs Department and the FGIP up to date with regard to the Relevant Information and its evolution (e.g. new persons involved, additional notes, etc.).