



***PROCEDURE FOR THE MANAGEMENT AND DISSEMINATION
OF INSIDE INFORMATION***

Approved by the Board of Directors on November 12, 2019

1. PREAMBLE

1.1. The ordinary shares of Safilo Group S.p.A. (“**Safilo**” or the “**Company**”) are admitted to trading on the Mercato Telematico Azionario (the Italian stock exchange) organized and managed by Borsa Italiana S.p.A. (the ordinary shares of Safilo and the other financial instruments possibly issued by Safilo, together, the “**Financial Instruments**”).

As a listed issuer, the Company is subject, among others, to the provisions related to corporate information set forth in Regulation (EU) No. 2014/596 (“**MAR**”) and the related implementing measures, and to Article 114 of Legislative Decree No. 58, of February 24th, 1998 as subsequently amended (“**TUF**”) and to the Issuers’ Regulations adopted through CONSOB Resolution No. 11971 of May 14th, 1999, as subsequently amended (the “**Issuers’ Regulation**”).

1.2. This procedure (the “**Procedure**”) contains the provisions and procedures aiming at implementing the obligations imposed on the Company by the aforementioned legislation, with reference to the following areas:

- a. procedures for the internal management of Relevant and/or Inside Information (as defined below) in order to ensure the utmost secrecy and confidentiality of the same;
- b. communications to the public and in particular:
 - procedures for the disclosure to the public of Inside Information (as defined below) in order to avoid that the disclosure of Inside Information may take place selectively, that is, it may be disclosed in advance to specific subjects such as, by way of example, shareholders, journalists or analysts, or is disclosed untimely, or in an incomplete or inadequate manner;
 - necessary provisions in order for the companies directly or indirectly controlled by Safilo (Safilo and its subsidiaries, jointly, the “**Group**”) to provide Safilo with the necessary information to comply with the disclosure obligations required by law, where information concerning its subsidiaries qualify as Inside Information for the Company;
- c. measures to control the access to Inside Information, including the List of persons having access to Inside Information, in order to possibly exercise the option of delayed disclosure of such information.

1.3. The management of advertising and/or commercial information is not regulated by the Procedure, therefore, such information is disseminated in other ways than those covered by the Procedure.

2. PERSON RESPONSIBLE FOR THE MANAGEMENT AND APPLICATION OF THIS PROCEDURE

- 2.1. The Chief Executive Officer, supported by the Legal and Corporate Affairs Department and the Investor Relations Function, is the person in charge of the management and application of this Procedure.
- 2.2. The Legal and Corporate Affairs Department, which will, if necessary, ask for the support of the Human Resources Function and/or other competent functions, is responsible for bringing to the knowledge of directors, statutory auditors, employees and interested collaborators of the Company and the Group, this Procedure, as well as any update, by sending it via e-mail and/or posting it in a place accessible to all (i.e notice boards) and/or by publishing it on the company intranet site.

3. **DEFINITIONS**

- 3.1. “**Inside Information**” or so called price sensitive information, shall mean information of a precise nature, which has not been made public, relating to the Company, and which, if it were made public, would be likely to have a significant effect on the prices the Financial Instrument or on the price of related derivative financial instruments, according to the criteria specified under paragraph 5.2.
- 3.2. “**Types of Relevant Information**” shall mean the types of information identified in Annex 1 and deemed to be potentially relevant as related to data, events, projects or circumstances that, continuously, repetitively, periodically, occasionally or unexpectedly concern or have concerned the Company and/or other Group companies.
- 3.3. “**Relevant Information**” shall mean (i) specific information falling within the Types of Relevant Information (for example, a specific asset transfer transaction); or (ii) other specific information relating to Safilo and/or other Group companies, which (a) are not to be considered as Inside Information yet, but which (b) are of such significance that they could assume, at a later date, even close in time, the nature of Inside Information and, as such, be subject to the disclosure obligation.

4. **OBLIGATIONS OF THE RECIPIENTS**

- 4.1. This Procedure applies to:
 - (a) directors, statutory auditors and employees of Safilo and other Group companies;
 - (b) all persons who, because of their work or professional activity, have access to Inside and/or Relevant Information on a regular or occasional basis (the “**Recipients**”).
- 4.2. The Recipients are prohibited from:
 - buying, selling or performing other transactions, directly or indirectly, in one's own behalf or in behalf of third parties, on Financial Instruments based on Inside Information;

- recommending to others, on the basis of Inside Information, to carry out transactions listed in the preceding point or induce other people to carry out such transactions.

4.3. The Recipients are required to comply with the provisions of the Procedure, and in particular to:

- a) keep strictly confidential the information and documents acquired in carrying out their work or professional activity, function or office, in particular in case of Inside and/or Relevant Information;
- b) use the Inside Information and/or Relevant Information only in relation to their work or professional activity, function or office;
- c) promptly inform the Legal and Corporate Affairs Department as well as his/her manager or Safilo's Chief Executive Officer of any act, fact or omission that may represent a violation of this Procedure.

Some general rules of conduct are listed below as an indicative and non-exhaustive list:

- a) each person is personally responsible for storing the confidential documentation he/she has access to, such documentation must be stored in a place that allows access to authorized persons only. Paper documents containing Inside and/or Relevant Information must be stored in archives located in locked cabinets or drawers; the permanence of documents outside the archives must be limited to the period necessary for their use; documents not being used shall be stored in their archive;
- b) similar precautions shall also be observed in case of business trips and, therefore, the documents containing Inside and/or Relevant Information must never be left unattended;
- c) in case, for business reasons, the Recipients have to share Inside and/or Relevant Information to third parties, they shall ensure that the latter are contractually required, by executing specific confidentiality agreements, to guarantee the utmost secrecy regarding the documents and the information received, or otherwise subject to the confidentiality obligation by law, regulation or articles of association;
- d) if confidential documentation is accidentally lost, the concerned director, statutory auditor, employee or collaborator must immediately notify the Legal and Corporate Affairs Department as well as their manager or Safilo's Chief Executive Officer, specifying the conditions and circumstances of loss.

5. INTERNAL MANAGEMENT OF RELEVANT INFORMATION AND DISSEMINATION OF INSIDE INFORMATION

5.1. Identification of Relevant Information and Related Internal Information Flows

In order to simplify the identification of Relevant Information and monitor the phases leading to the potential dissemination of the same, as well as to fulfill the obligation to disclose such information as soon as possible once it has acquired the characteristics of Inside Information, Safilo has:

- a) identified the Types of Relevant Information;
- b) associated these Types of Relevant Information to the Functions of Safilo and the Group and/or to the corporate bodies of the Group subsidiaries for various reasons normally involved in the formation and management of these Types of Relevant Information (respectively, the “**Involved Functions**” and the “**Involved Corporate Bodies**”), by means of a mapping system as per **Annex 1**.

The Chief Executive Officer, together with the Legal and Corporate Affairs Department, carries out an audit of the existing mapping system, at least once a year, making the amendments and/or additions deemed necessary or appropriate.

The managers of the Involved Functions or the Involved Corporate Bodies, within which specific Relevant Information has originated, shall promptly communicate such Information to the Chief Executive Officer.

All employees in turn have the obligation to communicate to their managers the specific Relevant Information they have become aware of due to their working activity so that they can fulfill the communication obligations mentioned above.

The Chief Executive Officer, with the support of the Legal and Corporate Affairs Department and the Investor Relations Function, monitors the Relevant Information disclosed to him/her, in order to identify the moment (if any) when the information becomes Inside Information.

In case of particularly significant Relevant Information, taking into account the quantitative or qualitative criteria applicable to the specific Relevant Information, the Chief Executive Officer may request the Legal and Corporate Affairs Department to keep a list of the persons who have access to the specific Relevant Information. It is therefore the responsibility of the Managers of the Involved Functions or the Involved Corporate Bodies to identify the employees or collaborators of Safilo and/or the Group subsidiaries who are aware of the specific Relevant Information and promptly provide, upon request of the Legal and Corporate Affairs Department, a list of these subjects.

5.2. Criteria for the Evaluation of the Privileged Nature of the Relevant Information

The evaluation of the privileged nature of the specific Relevant Information is carried out by the Chief Executive Officer, or by the Board of Directors if the Chief Executive Officer deems it appropriate to refer the assessment to such corporate body or if the specific Relevant Information has been generated during the board meetings, with the support of the Legal and Corporate Affairs Department and the Investor Relations Function.

The privileged nature of Relevant Information is assessed *ex ante*, based on the information available at the time the assessment is made on the occurrence of the event and on the possible effect of the same on the prices of the Financial Instruments.

The following criteria shall be taken into consideration in the aforementioned evaluation:

- a) the piece of information **has a precise nature** if (i) 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, and (ii) 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 (for example (i) if the information is such to allow a reasonable investor to make an investment decision without risk or in any case with a very low risk, that is when the investor is able to estimate with sufficient confidence how the information, once made public, would affect the price of the Financial Instruments, or (iii) when the information is likely to be immediately exploited on the market, that is when at the time of its disclosure market participants would likely operate on the basis of the same).

It is understood that:

- in 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 Inside Information, provided that the related legal requirements are met¹;
 - a piece of information can be precise even if it refers to an event that is not yet certain (that is totally certain);
 - the precise nature of the piece of information is in any case assessed on a case by case basis and depends on the piece of information itself and the context where it develops;
- b) the piece of information is **not public** until Safilo has disclosed it through the Regulated Information Dissemination System (SDIR - *Sistema di Diffusione delle Informazioni Regolate*) chosen by the Company;
 - c) the piece of information shall **directly relate** to Safilo. In any case, it is possible that, following the publication by third parties of information indirectly concerning Safilo, Relevant Information that was not deemed as privileged assumes such nature (for example if a regulatory provision is adopted which could benefit companies in the sector Safilo operates in, in

¹ Information relating to an event or a series of circumstances that constitute an intermediate step in a prolonged process may concern, for example: (i) the status of the contractual negotiations; (ii) the provisionally agreed contractual conditions; (iii) the possibility of placing financial instruments; (iv) the conditions under which these instruments are placed; (v) provisional conditions for the placement of financial instruments; (vi) the possibility that a financial instrument is included in an index; (vii) the cancellation of a financial instrument from an index.

compliance with certain conditions, the Company may be the only one to know if it is already compliant with the conditions set and the amount of the benefit);

- d) the piece of information shall be **material**, and therefore likely to have a **significant impact on the prices** of the Financial Instruments or on the prices of the related derivative financial instruments, meaning by this an information that a reasonable investor would probably use as one of the elements on which to base his/her investment decisions. The fact that the type of information is the same type of information that in the past has had a significant impact on prices or that Safilo has already dealt with similar information as Inside Information can represent a useful indicator for assessing the possible significant effect of the information on the prices of the Financial Instrument.

Listed below are further criteria which the Chief Executive Officer or the Board of Directors may use when assessing the precise and material nature of the Relevant Information, it being understood that such criteria have mere illustrative purposes:

- a) the size of the transaction to which the piece of information is related: the more the transaction is important with respect to the size of Safilo in terms of turnover, activity, capitalization, degree of indebtedness or profitability, the more probable it is that the piece of information has inside information nature;
- b) impact on core activities: the more data provides information on the current and future performance of Safilo's core business, i.e. it is a leading indicator of the Company performance, the more likely it is that the data acquires the inside information nature;
- c) development stage of the transaction the piece of information is related to: the more a project is at an advanced stage, the more likely it is that it will acquire inside information nature;
- d) significance of the piece of information for the sector: the more a transaction is likely to alter the equilibrium of a sector, the more likely it is that the related piece of information acquires the inside information nature;
- e) impact on the expectations of investors and financial analysts: the more the corporate strategies and periodic financial data differ from the market operators' forecasts, especially if supported by previous data provided by Safilo, the more likely it is that the piece of information acquires the inside information nature;
- f) collocation of the piece of information in the economic situation: in a context, for example, of strong growth in domestic demand in the reference sector, the lower the periodic financial data, the more likely such piece of information is to have inside information nature;
- g) factual situations: especially in the context of the so-called protracted processes, the completion of certain intermediate stages makes the piece of information relating to the wider process more likely to be inside information;

- h) request for external financing: if, for example, in the context of an acquisition project it has been decided to request a specific loan from a bank, the piece of information is more likely to have inside information nature;
- i) impact on the piece of information already disclosed by Safilo: if, for example, Safilo has already provided information regarding a strengthening of its business activities in a certain geographical area, the sale of a subsidiary in the same area could constitute, with greater probability, inside information;
- j) positioning of the piece of information in the institutional context of the moment: with reference to the performance of significant activities in a foreign country, recent political and economic events that occurred in such country could become relevant for the purposes of assessing the inside information nature of data relating to these activities;
- k) engagement of external consultants: should it be decided, at the end of an internal process, to select one or more external consultants for the evaluation of the feasibility of a project, it would then be more likely that this project has the inside information nature.

5.3. **Outcomes of the Evaluation on the Inside Information Nature of Relevant Information**

Once the evaluation on the inside information nature of the Relevant Information has been successfully carried out, the Chief Executive Officer or the Board of Directors take one of the following decisions:

- a) to proceed with the disclosure of the piece of Inside Information by disseminating a press release; or
- b) not to disclose the piece of Inside Information, delaying disclosure of Inside Information as per the procedure set forth in paragraph 5.5.

The Chief Executive Officer informs the Legal and Corporate Affairs Department and the Investor Relations Function of this decision.

5.4. **Disclosure of Inside Information**

A. Drafting of the Press Release

If the Company has decided to proceed with the disclosure of Inside Information, the related press release shall be disclosed as soon as possible, in any case within the time frame necessary for the drafting of the press release, according to the following steps and in order to allow rapid access and a complete, correct and timely evaluation of the information by the public.

The Investor Relations Function, if necessary, supported by the Legal and Corporate Affairs Department and/or any other of the possibly Involved Functions, draws up a draft press release based on the instructions contained in the Instructions accompanying the Rules of the Markets Organized and Managed by Borsa Italiana (the “**Instructions**”).

The Investor Relations Function, when drawing up the draft of the press release shall make reference to the minimum contents indicated in Article IA.2.6.3 and following Articles of the Instructions with reference to the most common types of Inside Information.

The Investor Relations Function shall be responsible for verifying that (i) the press release contains the elements necessary in order to allow a complete and correct evaluation of the events and circumstances represented, as well as links and comparisons with the contents of previous press releases; (ii) any significant change to Inside Information already disclosed to the public is communicated to the same without delay; (iii) the disclosure to the public of Inside Information and the promotional purposes of Safilo's and the Group's activities are not combined together in a way that could be misleading.

The draft press release is shared with the Chief Executive Officer and the Group Chief Financial Officer, as well as with the Managers of the Involved Functions or the Involved Corporate Bodies in order for all of them to verify the contents related to the respective area of competence. If the draft contains references to data related to the economic or financial situation of Safilo and/or of the Group, such data shall first be verified by the Manager responsible for preparing the Company's financial statements (*Dirigente Preposto*), who shall also sign the attestation pursuant to Article 154-bis, paragraph 2, of the TUF (such attestation shall accompany all the documents and communications disclosed to the public containing financial data).

In the event that the Chief Executive Officer deems it appropriate or if the specific piece of Inside Information has been generated during board meetings, the Board of Directors called to approve the contents of the related press release shall also examine the draft of the press release.

B. Dissemination of the Press Release

Following the approval of the press release in its final version by the Chief Executive Officer or by the Board of Directors, the Investor Relations Function, with the support of the Legal and Corporate Affairs Department, disseminates the press release.

The press release is disseminated by means of the Regulated Information Dissemination System (SDIR - *Sistema di Diffusione delle Informazioni Regolamentate*) used by Safilo. If the press release is disseminated during trading hours, the Legal and Corporate Affairs Department, possibly with the support of the Investor Relations Function, is required to notify CONSOB in advance, even verbally and with due notice, of the possibility for Safilo to disclose particularly significant Inside Information while the Financial Instruments are being negotiated. The Legal and Corporate Affairs Department is also required to notify Borsa Italiana in advance by telephone about the dissemination of the press release during trading hours in order to allow such Authority to better assess the impact that the Inside Information, once disseminated, could have on the regular performance of the negotiation.

The Investor Relations Function is required to ensure that the press release is disclosed on Safilo's website and to ensure that the same is available on the website for a minimum time frame of five years.

C. Joint Dissemination of the Press Release

In the event that, for strategic reasons or in compliance with specific agreements that provide for it, press releases relating to transactions with third parties must be disseminated jointly, the above procedure shall be followed with the necessary adaptations without prejudice, however, to the involvement of the corporate Functions set forth in the Procedure and compliance with the reference legislation for listed companies.

5.5. Delayed Disclosure of Inside Information

The Chief Executive Officer or the Board of Directors, when the Chief Executive Officer deems it appropriate to remit the assessment to such body or if the specific piece of Inside Information has been generated during board meetings, may decide not to proceed with the immediate dissemination of a piece of Inside Information by delaying the disclosure of Inside Information, provided that the following conditions are met (the “**Delay Conditions**”):

- a) the immediate disclosure would probably undermine the legitimate interests of Safilo;
- b) the delay in disclosure would probably not have the effect of misleading the public;
- c) Safilo is able to guarantee the confidentiality of the Inside Information.

Please refer to **Annex 2** for an example list of hypotheses where it is deemed that the Delay Conditions are met (and therefore the right to delay the public disclosure of Inside Information is applicable), as well as for an example list of situations in which the delayed disclosure of Inside Information is likely to mislead the public (i.e. situations where, since one of the Delay Conditions is not met, the delayed disclosure procedure cannot be applied).

A. Necessary Requirements to Delay the Dissemination of Inside Information

In the event that the delay procedure is applied, the Chief Executive Officer informs the Legal and Corporate Affairs Department and the Investor Relations Function of the decision.

The Legal and Corporate Affairs Department is responsible for keeping the following information on a special electronic report protected by access credentials:

- a) date and time:
 - of the first existence of Inside Information;
 - of the decision to delay the disclosure of Inside Information;
 - of the planned disclosure of Inside Information;
- b) identity of the person responsible for:
 - the decision to delay the disclosure of Inside Information and the decision that establishes the beginning of the delay period and when it is likely to end;
 - the continuous monitoring of the Delay Conditions;
 - the decision to disseminate the Inside Information;
 - the communication to CONSOB of the requested information on the delay;

- c) evidence that the Delay Conditions were initially met and of any changes in this regard which may have occurred during the delay period, including:
- barriers in order to protect Inside Information, both internally and externally, to prevent access to Inside Information by other people in addition to those that must have access to it in the regular exercise of their professional activity or of their own function;
 - the adoption of measures to disclose the Inside Information as soon as its confidentiality is no longer guaranteed.

B. Disclosure of “Delayed” Inside Information to Third Parties

The piece of Inside Information for which the delay procedure has been applied can be legitimately communicated to parties outside of the Group (i) in the presence of a report justifying such communication and (ii) subject to the existence of a confidentiality obligation to which third parties are contractually bound, by executing specific confidentiality agreements, or also under law, regulation of articles of association provisions.

Among these third parties, by way of example only, are included:

- (i) the consultants involved in the examination of the subjects for which their opinion has been asked;
- (ii) the parties Safilo is negotiating on commercial or financial transactions with;
- (iii) public sector supervisory Authorities;
- (iv) banks, in the context of granting credit facilities;
- (v) rating agencies;
- (vi) Borsa Italiana.

C. List of Persons Having Access to Inside Information

All persons who have access to Inside Information whose disclosure has been delayed and with whom there is a professional relationship with Safilo or with a Group company, whether employed or otherwise, must be included in the List of persons having access to Inside Information (the “**List**”). The Legal and Corporate Affairs Department is responsible for keeping the List, although it may also use external management companies specialized in maintaining these lists in the name and on behalf of listed companies.

The List shall be in an electronic format, in accordance with the format under Annex I of the Implementing Regulation (EU) 2016/347 (“**347 Regulation**”). Such electronic format shall at all times ensure: (i) the confidentiality of the information included therein, ensuring that access to the List is restricted to clearly identified persons who, with the Company or any other person acting on its behalf or on its account, need that access due to the nature of the respective function or position; (ii) the

accuracy of the information contained in the List; (iii) the access and retrieval of previous versions of the List.

The List is divided into:

- a) a section including those persons who have access at all times to all Inside Information (**“Permanent Section”**): and
- b) supplementary specific sections for each piece of Inside Information whose disclosure has been delayed and including the persons, different from those included in the Permanent Section, that have access to such piece of Inside Information (for each section, the **“Project Section”**).

The Chief Executive Officer, the Group Chief Financial Officer, the Manager responsible for the Legal and Corporate Affairs Department, the Investor Relator and their assistants and employees of Safilo or other Group companies responsible for keeping the List are included in the Permanent Section of the List.

Following the decision not to disclose the piece of Inside Information and to apply the delay procedure, the Legal and Corporate Affairs Department (or any other person acting on its behalf or on its account) creates a new Project Section, including all those who had access to such piece of Inside Information in the timeframe between the disclosure of the Inside Information has been delayed and the moment the Inside Information was disclosed, also taking into account that *“having access to Inside Information”* does not necessarily imply the actual possession of the same but, on the other hand, having access to Inside Information shall not be understood as a mere possibility of having access to it.

The Project Section includes, by way of example:

- a) the members of the Board of Directors and the Board of Statutory Auditors of Safilo;
- b) the secretary of the Board of Directors;
- c) the independent auditors of the Company appointed to audit the accounts of Safilo;
- d) employees of Safilo or other Group companies;
- e) the subjects who provide their professional activity on the basis of a collaboration relationship.

The Managers of the Involved Functions or the Involved Corporate Bodies shall provide the Legal and Corporate Affairs Department with the list of employees and collaborators of Safilo and/or Group companies with access to the piece of Inside Information and promptly update such list in case of later access to the piece of Inside Information.

Each Project Section includes the following information:

- a) identification data of each person having access to the specific piece of Inside Information and the other information required by Regulation 347; if the person to be included in the List is a company, an association or another entity, the data of the natural persons who have access to the Inside Information is included in the List;
- b) the reason why each person is included;
- c) the date and time when the person had access to the Inside Information.

The person included in the List, after having received the communication of his/her registration, sends, also by e-mail, a communication declaring to have acknowledged the legal and regulatory duties connected to their registration and to be aware of the sanctions applicable in case of insider dealing and unlawful disclosure of Inside Information.

The Legal and Corporate Affairs Department (or any other person acting on its behalf or on its account) promptly updates the List:

- a) in the event the reason for the inclusion of a person already on the List changes;
- b) if a new person has access to Inside Information and therefore must be added to the List; and
- c) if a person no longer has access to Inside Information.

Each update shall state the date and time when the change that made such update necessary occurred.

When the Inside Information ceases to qualify as inside information (both because it has been disclosed by means of a press release and when it loses such nature due to the absence of any of the characteristics that qualify it as Inside Information), this circumstance is included in the List and communicated to the persons included in the relevant Project Section.

Upon request, the Legal and Corporate Affairs Department transmits to CONSOB the List or the specific Project Sections mentioned in the request, via PEC (certified e-mail) to the address consob@PEC.consob.it, following any further instructions included in the request.

The data relating to the persons included in List the are retained for five years after the circumstances which led to the inclusion or updating no longer exist.

D. Monitoring of Delay Conditions

The Legal and Corporate Affairs Department, supported by the Investor Relations Function, constantly monitors the permanence of the Delay Conditions. In the event that the Legal and Corporate Affairs Department evaluates that these Conditions are no longer met (for example (i) in the event that a rumor is reported that explicitly refers to a piece of Inside Information that is being delayed, if such rumor is sufficiently accurate to indicate that the confidentiality of such piece of Inside Information is no longer ensured, or (ii) if the piece of Inside Information is unintentionally communicated to third parties not bound by confidentiality obligations, for example in a Shareholders' Meeting), it will inform the Chief Executive Officer in order to timely disclose the Inside Information.

E. Notice to CONSOB of the Decision to Delay the Disclosure of Inside Information

Following the dissemination of a delayed piece of Inside Information, the Legal and Corporate Affairs Department sends a specific communication to CONSOB, via PEC (certified e-mail) to the address consob@pec.consob.it, indicating in the subject "MAR Delayed Communication". This communication shall include the following information:

- a) complete business name of Safilo;
- b) identity of the notifier (name, surname, position in Safilo);

- c) contact details of the notifier (e-mail address and professional telephone number);
- d) identification of the delayed piece of Inside Information (title of the press release and date and time of its dissemination);
- e) date and time of the decision to delay the disclosure of the piece of Inside Information;
- f) identity of the person responsible for the decision to delay the disclosure of Inside Information.

In the event of a subsequent request from CONSOB, the Legal and Corporate Affairs Department sends to such Authority the evidence of meeting the Delay Conditions.

It is not necessary to notify CONSOB if, after the decision to delay its disclosure, the information is not communicated to the public because it has lost its inside nature.

6. DISCLOSURE OF FORECASTS AND QUANTITATIVE OBJECTIVES

Forward-looking information (forecasts and quantitative objectives) is not in itself Inside Information and, therefore, it is not subject to the obligation to be disclosed to the market.

However, the Board of Directors and/or the Chief Executive Officer may decide to voluntarily disseminate press releases regarding forward-looking information. In this case, the press release is drawn up according to the instructions contained in paragraph 5.4.

In case of disclosure of forecasts and quantitative objectives, it is the duty of the Chief Executive Officer, supported by the Investor Relations Function to:

- guarantee regular and frequent financial information, in order to reduce investor uncertainty;
- clearly specify, upon disclosure of the forecast data, whether it is a genuine forecast or strategic objectives (quantitative) established as part of corporate planning and guarantee, in the event that the forecast information is contained in a press release with heterogeneous or complex content, that separate evidence of the forecast information is provided, dedicating to it a specific section of the press release;
- verify the consistency of the actual results with the forecast data and the quantitative objectives disclosed and inform the public without delay, with a press release, of any (positive or negative) significant variances, specifying the reasons;
- monitor any significant differences between the results expected by the market (so-called consensus) and the results expected by the Company and the Group, identifying the reasons and, consequently, inviting the analysts to reconsider their expectations through the publication of a press release drawn up on the basis of updated internal forecasts.

The verification of the deviations from the forecast data shall be carried out with reference not only to the results that emerge at the time of the formal approval of the periodic financial reports, but also with reference to subsequent forecasts made by the Company itself at the time of updating the previous estimates, referred to in the same periods.

7. RELATIONSHIP WITH THE MEDIA AND THE FINANCIAL MARKET

Relations with the press and the financial market are handled respectively by the Public Relations Function and by the Investor Relations Function.

The Chairman and/or the Chief Executive Officer, the Group Chief Financial Officer and the persons authorized by the same are authorized to give interviews with press offices.

The organization of meetings and/or conference calls with the financial community after the board meetings called to approve the periodic financial data is handled by the Investor Relations Function, which sends to the Legal and Corporate Affairs Department the presentation supporting the topics to be discussed during the meeting/conference call in advance. The Legal and Corporate Affairs Department sends such presentation to CONSOB and Borsa Italiana before the beginning of the meeting and/or conference call. These specific meetings/conference calls are always the prerogative of all the company stakeholders, as they are broadcast and can be followed live also through live webcasts. Date, time and details to follow the live and/or recorded event are always made available to the public in advance on the Investor Relations home page of the Company's corporate website, as well as included in the same press release which illustrates the results of the concerned period.

If Inside Information and/or forecast information not previously provided is inadvertently disclosed during the interviews and/or meetings with the press and/or the financial community, the Investor Relations Function will take action in order to timely disclose to the public such information.

8. MARKET SOUNDINGS

If the Company determines, directly or through third parties, to carry out market soundings, or to proceed with the disclosure, to one or more potential investors, of information, prior to the announcement of a transaction, in order to evaluate the interest of potential investors in a possible transaction and the conditions relating to it (potential size or pricing, structure of the transaction, etc.), the party carrying out the market sounding, before proceeding with the same:

- a) shall evaluate whether the market sounding entails the disclosure of Inside Information;
- b) shall make a written record of its conclusion and the reasons therefor (letter a) and provide such written information to the competent Authority should it request it;
- c) shall obtain the consent of the person receiving the market sounding to receive Inside Information and shall inform him/her that
 - (i) he/she is prohibited from using that information, or attempting to use that information, by acquiring or disposing of, for his/her own account or for the account of a third party, directly or indirectly, financial instruments relating to that information,
 - (ii) he/she is prohibited from using that information, or attempting to use that information, by cancelling or amending an order which has already been placed concerning a financial instrument to which the information relates,

- (iii) by agreeing to receive the information he/she is obliged to keep the information confidential;
- d) shall maintain a record of all information given to the person receiving the market sounding, including the identity of the potential investors to whom the information has been disclosed, including but not limited to the legal and natural persons acting on behalf of the potential investor, and the date and time of each disclosure;
- e) shall provide such written records to the competent Authority upon request;
- f) shall keep the records regarding the market sounding for a period of at least five years.

Where information that has been disclosed in the course of a market sounding ceases to be Inside Information according to the assessment of the disclosing person, the latter shall inform the recipient accordingly, as soon as possible.

The disclosure of Inside Information by a person intending to make a takeover bid for the securities of a company or a merger with a company to parties entitled to the securities, shall also constitute a market sounding, provided that the information is necessary to enable the parties entitled to the securities to form an opinion on their willingness to offer their securities and the willingness of parties entitled to the securities to offer their securities is reasonably required for the decision to make the takeover bid or merger.

9. SANCTIONS

Failure to comply with the Procedure shall result in the application of the criminal and administrative sanctions set out in applicable legislation and could result in administrative responsibility for Safilo pursuant to Legislative Decree 231/2001.

For all employees of Safilo and of the Group companies, failure to comply with the Procedure constitutes unlawful conduct that can be sanctioned at a disciplinary level.

The application of the aforementioned penalties by the competent Authorities does not undermine Safilo's possibility to claim for any prejudicial consequence against the responsible persons, in addition to the disciplinary sanctions possibly applied.

10. AMEDMENTS TO THE PROCEDURE

The Chairman and the Chief Executive Officer are authorized, severally, to make amendments and/or additions to the Procedure that may become necessary as a result of legislative or regulatory measures or organizational changes of Safilo and or of the Group companies.

ANNEX 1

MAPPING SYSTEM OF THE TYPES OF RELEVANT INFORMATION											
Types of Relevant Information/ Involved Functions	Chief Executive Officer	Board of Directors	Global Marketing	Licensed Brand and Global Product	Product Supply/Corporate Quality	Global PR and Communication	Global Finance and Accounting/Investor Relations/ERM	Global Human Resources	Global Corporate and Legal Affairs	Commercial/ Global Channels/Digital Transformation/Global Sales Operation &	Corporate Bodies of the Group Companies
Ownership Structure	X	X				X	X		X		
Management Composition	X	X						X	X		
Management Incentive Plans	X	X					X	X	X		
Independent Auditing Company's activity	X	X					X				X
Transactions on Share Capital and Issuance of Financial Instruments	X	X				X	X		X		

MAPPING SYSTEM OF THE TYPES OF RELEVANT INFORMATION

Types of Relevant Information/ Involved Functions	Chief Executive Officer	Board of Directors	Global Marketing	Licensed Brand and Global Product	Product Supply/Corporate Quality	Global PR and Communication	Global Finance and Accounting/Investor Relations/ERM	Global Human Resources	Global Corporate and Legal Affairs	Commercial/ Global Channels/Digital Transformation/Global Sales Operation &	Corporate Bodies of the Group Companies
Takeover bids, Mergers, Demergers, etc.	X	X		X	X	X	X	X	X	X	X
Restructuring and Reorganization	X	X		X	X	X	X	X	X		X
Litigations	X	X					X	X	X		X
Granting and Withdrawing of Bank Credits	X	X					X		X		
Patents, Licenses, Rights, Etc.	X	X	X	X		X	X		X	X	X
Business Performance and Variations to the Expected Periodic Results (<i>profit warning e earning surprise</i>)	X	X		X	X	X	X		X	X	X
Assets Purchase or Sale	X	X		X	X	X	X		X		X

MAPPING SYSTEM OF THE TYPES OF RELEVANT INFORMATION

Types of Relevant Information/ Involved Functions	Chief Executive Officer	Board of Directors	Global Marketing	Licensed Brand and Global Product	Product Supply/Corporate Quality	Global PR and Communication	Global Finance and Accounting/Investor Relations/ERM	Global Human Resources	Global Corporate and Legal Affairs	Commercial/ Global Channels/Digital Transformation/Global Sales Operation &	Corporate Bodies of the Group Companies
Entry into New Markets (or Exit)	X	X				X	X		X	X	

ANNEX 2

Pursuant to the ESMA/2016/1478 guidelines, the cases where immediate disclosure of the Inside Information is likely to prejudice Safilo's legitimate interests could include but are not limited to the following circumstances:

- a) Safilo is conducting negotiations, where the outcome of such negotiations would likely be jeopardised by immediate public disclosure. Examples of such negotiations may be those related to mergers, acquisitions, splits and spin-offs, purchases or disposals of major assets or branches of corporate activity, restructurings and reorganisations.
- b) the financial viability of Safilo is in grave and imminent danger, although not within the scope of the applicable insolvency law, and immediate public disclosure of the Inside information would seriously prejudice the interests of existing and potential shareholders by jeopardising the conclusion of the negotiations designed to ensure the financial recovery of Safilo;
- c) Safilo has developed a product or an invention and the immediate public disclosure of that information is likely to jeopardise the intellectual property rights of Safilo;
- d) Safilo is planning to buy or sell a major holding in another entity and the disclosure of such an information would likely jeopardise the implementation of such plan
- e) the Inside Information relates to decisions taken or contracts entered into by the management body of an issuer which need, pursuant to national law or the issuer's
- f) a transaction previously announced is subject to a public authority's approval, and such approval is conditional upon additional requirements, where the immediate disclosure of those requirements will likely affect the ability for Safilo to meet them and therefore prevent the final success of the deal or transaction

Pursuant to the ESMA/2016/1478 Guidelines, the situations in which delay of disclosure of Inside Information is likely to mislead the public includes at least the following circumstances:

- a) the Inside Information whose disclosure Safilo intends to delay is materially different from the previous public announcement of the issuer on the matter to which the Inside information refers to; or
- b) the Inside Information whose disclosure Safilo intends to delay regards the fact that Safilo's financial objectives are not likely to be met, where such objectives were previously publicly announced; or
- c) the Inside Information whose disclosure the issuer intends to delay is in contrast with the market's expectations, where such expectations are based on signals that the issuer has previously sent to the market, such as interviews, roadshows or any other type of communication organized by the issuer or with its approval.