

PROCEDURE FOR HANDLING INSIDE INFORMATION

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SUMMARY

Kevlar S.p.A. is a company under Italian law issuing debt financial instruments listed on the Luxembourg Stock Exchange and, as such, is subject to the laws and regulations on market abuse. Kevlar S.p.A. has therefore adopted this procedure to govern the manner in which it complies with its obligations relating to managing inside information.

Inside information is information of a specific nature, which has not been made public, concerning, directly or indirectly, Kevlar S.p.A. (therefore also concerning subsidiaries of Kevlar S.p.A. provided that such information is relevant to Kevlar S.p.A.) or one or more of its listed financial instruments, which, if made public, could have a significant influence on the prices of such instruments or relevant derivative financial instruments.

The use of inside information to carry out transactions (e.g. purchase, sale, etc.) on financial instruments may constitute an offence of insider trading. Therefore, all those who receive inside information must refrain from carrying out such transactions and keep the information confidential.

The emergence of inside information requires two main actions:

- (i) the immediate entry in the Insider Register of those who - by reason of their employment or professional relationship in general - become aware of such information.

Insider Lists have

- (a) a permanent section, which lists only persons who at any time are in possession of any inside information, and
 - (b) as many sections as there are types of insider information, where persons who possess such information are listed and deleted following public disclosure of the information.
- (ii) The disclosure of inside information to the public as soon as possible through:
 - (a) the publication of a press release:
 - to be disseminated through the 1INFO dissemination mechanism,
 - in the Investor Relations section of Kedrion S.p.A.'s website. (<https://www.kedrion.com>).
 - (b) disclosure of the above inside information to the *Commission de Surveillance du Secteur Financier* ("**CSSF**") through the eRIIS platform (<https://www.cssf.lu/en/eriis/>).

Kevlar S.p.A. undertakes to implement all necessary methods and techniques to ensure that financial disclosure is comprehensive and timely. Any information of an insider nature is brought to the public's attention without delay.

However, public disclosure of privileged information may be delayed if three requirements are met in combination:

- (1) Kevlar S.p.A. has a legitimate interest;
- (2) the failure to disclose in a timely manner would not have the effect of misleading the market;
- (3) Kevlar S.p.A. is able to guarantee the confidentiality of the information.

At the same time as the disclosure to the market of the privileged information for which the delay has been opted for, Kevlar S.p.A. is obliged to send a report to the relevant authority explaining compliance with the three requirements and the reasons for the delay.

1. DEFINITIONS

“Relevant Authority”: administrative authority appointed by each EU Member State to ensure that the provisions of the MAR Regulation are applied correctly. The Relevant Authority for Kevlar is the Commission de Surveillance du Secteur Financier (“CSSF”, from its French initials or Luxembourg financial services authority).

“Forward-looking Information” has the meaning given in section 7.5.1 of this Procedure.

“Issuer”: means a legal entity, whether governed by private or public law, which issues or proposes to issue financial instruments, as defined in Article 4(1)(15) of Directive 2014/65/EU.

“eRIIS” means “*electronic Reporting of Information*” or the portal set up by the CSSF for the purpose of filing the information requested by the Authority.

“Kevlar Group”: means, collectively, Kevlar and its Subsidiaries.

“Inside Information”: has the meaning given in section 4 of this Procedure.

“Kevlar” or **“Company”**: means Kevlar S.p.A.

“Procedure”: means this procedure for handling Inside Information.

“Company contact persons”: means Kevlar's Chairman of the Board of Directors and Kedrion's CEO, the managers who, by virtue of the activities performed have regular access to Inside Information and/or have the power to take management decisions that may affect the Company's future development and prospects, identified by duties under Annex I, and the legal representatives of the Subsidiaries.

“Insider List”: means the list of all those who have access to Inside Information and with whom there is a professional relationship, be it an employment contract or otherwise (e.g. consultants, accountants, credit rating agencies, etc.), established by Kevlar pursuant to the MAR Regulation and governed by the 'Procedure for establishing, maintaining and updating the Insider Register'.

“MAR Regulation”: has the meaning given in section 2 of this Procedure.

“Subsidiaries”: means the companies, whether Italian or foreign, in relation to which Kevlar: a) has the majority of voting rights that can be exercised during the ordinary shareholders' meeting; b) has sufficient votes to exercise a dominant influence during the ordinary shareholders' meeting; c) has the right, by virtue of a contract or a clause in the articles of association, to exercise a dominant influence, when the applicable law permits such contracts or clauses; d) has alone, on the basis of agreements with other shareholders, sufficient votes to exercise a dominant influence during the ordinary shareholders' meeting. For the purposes of identifying a company subsidiary relationship, rights held by Subsidiaries or exercised through Kevlar trustees or intermediaries are also taken into account.

“Obligated Parties” has the meaning given in section 5.2 of this Procedure.

“Financial Instruments”: has the meaning given in section 4.1 of this Procedure.

The definitions in this section and any other terms or expressions used in the Procedure must be interpreted and applied with regard to the provisions of the legislation in force at the time.

“Kedrion” refers to Kedrion S.p.A.

2. MAIN REGULATORY REFERENCES

2.1. Below are the main legal and regulatory references to which the Procedure refers:

- **"MAR Regulation"**: Regulation (EU) No. 596/2014 of the European Parliament and of the Council issued on 16 April 2014 on market abuse and its Implementing and Enforcement Regulations as amended and supplemented;
- **"Market Abuse Rules"** and **"Questions and Answers on Market Abuse Regulation"**: documents (March 2019 versions) published by the *Commission de Surveillance du Secteur Financier*;
- **"Model 231"**: the Organisational, Management and Control Model adopted by Kedrion S.p.A. pursuant to Leg. Decree No. 231/2001;
- **"Code of Ethics"**: the code of conduct adopted by Kedrion S.p.A.

3. GOALS

- 3.1. This Procedure governs the internal management and external communication of information concerning Kevlar and its Subsidiaries, with specific reference to Inside Information.
- 3.2. The purposes of governing the methods of monitoring, management and internal circulation of Inside Information through the adoption of this Procedure are to:
 - ensure compliance with the legal and regulatory provisions in force concerning market abuse and prevent unlawful conduct;
 - ensure that the Relevant Authority is promptly notified, when requested and in full, of the information necessary to perform its task of protecting the integrity of financial markets
 - protect investors, by governing the manner in which Inside Information is communicated to the market and the public and by preventing the dissemination of Inside Information that is not timely, incomplete, untrue, misleading or such as to cause information asymmetries among the public;
 - protect the Company, from any liability that may fall on it due to market abuse offences committed by persons connected with it (also pursuant to Italian Leg. 231/2001).

4. INSIDE INFORMATION

- 4.1. Inside information is information of a specific nature, which has not been made public, relating, directly or indirectly, to the Company or one or more Financial Instruments, which, if it were made public, would be likely to have a significant influence on the prices of those Financial Instruments or of relevant derivative financial instruments ("**Inside Information**").
 - specific nature: information is of a specific nature if it refers to a set of circumstances that exists or may reasonably be expected to come into existence or to an event that has occurred or may reasonably be expected to occur and if such information is deemed to be sufficiently specific 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 relevant derivative financial instrument. In this regard, in the case of a protracted process which aims to materialise, or which establishes, a specific circumstance or event, that future circumstance or event, as well as the intermediate steps in that process which are related to the materialisation or determination of the future

circumstance or event may be deemed as information of a specific nature.

- Financial Instruments: debt financial instruments issued by Kevlar, traded on a regulated market or MTF, admitted to trading on a regulated market or MTF or for which a request for admission to a regulated market or MTF has been made, traded on an OTF.
- significant price influence: Information which, if made public, would be likely to have a significant effect on the prices of Financial Instruments or relevant derivative financial instruments means information that a reasonable investor would be likely to use as part of the basis of his/her investment decisions.

5. PARTIES OBLIGATED BY THE PROCEDURE

5.1. This Procedure applies to all those who, by reason of their working or professional activities or by reason of the duties they perform, have access to Inside Information. The Procedure must be complied with by the members of the governing and supervisory bodies, the managers, employees of the Company and of the Company's subsidiaries and persons who perform their work and/or professional activities in favour of or on behalf of the Company and of the Subsidiaries by virtue of relationships other than employment, such as, for example, consultancy and collaboration relationships.

5.2. Specifically, the addressees of this Procedure are:

- members of the Board of Directors;
- members of the Board of Statutory Auditors and other supervisory bodies;
- persons performing management duties;
- employees, collaborators and, in any case, Informed Persons;

of Kedrion S.p.A. and Kevlar S.p.A. and its Subsidiaries (jointly the "**Obligated Parties**").

5.3. Obligated Parties are bound to comply with this Procedure and to maintain the confidentiality of Inside Information acquired in the performance of their respective duties and functions, during the period of time between the production of the Inside Information and its disclosure to the public in compliance with the provisions of the law and in accordance with section 7 of this Procedure.

6. RULES OF CONDUCT

6.1. RULES AND PRINCIPLES

6.1.1. Obligated Parties, in the performance of all the activities related to the Kevlar Group, are required to comply with applicable regulations and behavioural principles referred to in Kedrion Group's Code of Ethics, as well as all principles of Corporate Governance by which the Kevlar Group is inspired, and more specifically:

- Kevlar's articles of association
- the system of proxies and powers of attorney adopted;
- Model 231;
- the Procedure for establishing, maintaining and updating Insider Lists;
- the Internal Dealing Procedure;
- corporate procedures issued and applied within the Kevlar Group.

6.2. OBLIGATIONS AND PROHIBITIONS

6.2.1. Access to Inside Information by reason of work activities, duties or a profession carried out in favour of the Kevlar Group or Kedrion, entails the following obligations and prohibitions for Informed Persons and, in general, for addressees of this Procedure.

6.2.2. Obligated Parties are expressly obliged to

- maintain confidentiality on activities carried out by Kevlar Group and Kedrion and with regard to documents and information that can be defined as Inside Information;
- comply with the confidentiality duties provided for by the law in relation to Inside Information of which they may become aware of;
- use information and documents defined as Inside Information exclusively during the performance of their duties and in compliance with the corporate procedures in force;
- handle Inside Information with all necessary precautions in order to ensure that it is disclosed inside and outside Kevlar Group and Kedrion without jeopardising its confidential nature and in compliance with the specific company procedures (paying special attention to managing supports on which such information can be traced, such as electronic devices, USB devices, electronic or paper notices), until it is disclosed to the public in accordance with the procedures provided for by law and this Procedure.

6.2.3. Obligated Parties are expressly prohibited from:

- notifying (except as provided for in the following section 6.2.4 of this Procedure) by any means whatsoever, Inside Information of which it may have become aware of during the normal performance of their work, profession or duties; more specifically, it is absolutely forbidden for anyone to give interviews to the press or make statements in general that contain Inside Information concerning the Company and its Subsidiaries, which has not already been disclosed to the public;
- Carrying out, directly or indirectly, on one's own behalf or on behalf of third parties, the purchase, sale or any other transaction on the financial instruments to which Inside Information refers;
- cancelling or amending an order concerning a financial instrument to which the Inside Information refers, if such order was placed before the Obligated Party came into possession of said Inside Information;
- Recommending or inducing others, on the basis of the Inside Information, to purchase, sell or perform any other transaction on the financial instruments to which the Inside Information relates.

6.2.4. The disclosure of data, documents or information that can be defined as Inside Information is only permitted under the condition that:

- (a) such disclosure takes place exclusively for official reasons during the exercise of duties performed and in such a manner as to ensure the confidentiality of the information, limiting its circulation exclusively to the specific recipients (e.g. by signing non-disclosure agreements);
- (b) the addressees are Obligated by legal or contractual confidentiality obligations with regard to the information received;

it being understood that any disclosure to such persons may only take place at the same time as they are listed on the Insider List.

6.3. HANDLING OF CONFIDENTIAL INFORMATION PERTAINING TO OTHER ISSUERS¹

6.3.1. When, due to work or professional activities or due to duties carried out for Kevlar Group or Kedrion, a Obligated Party comes into possession of confidential information concerning another Issuer or an ongoing transaction between Kevlar Group or Kedrion and such Issuer (by way of example, a listed company with which Kevlar has commercial or other business relations and with which a significant commercial transaction is underway), the latter is required to

- assess, together with the counterparty and in accordance with the procedures adopted by the latter, the likely inside nature of such information;
- comply with the confidentiality duties provided for by the law in relation to Inside Information of which they may become aware of;
- maintain absolute confidentiality on documents and information that qualify as Inside Information acquired during the course of relations with counterparties and, specifically, comply with any confidentiality clauses established at contractual level.

6.3.2. Obligated Parties are expressly prohibited from:

- disclosing to third parties any Inside Information concerning the counterparty or transactions in progress with the counterparty of which he/she has become aware of;
- carrying out, directly or indirectly, on its own behalf or on behalf of third parties, purchase, sale or any other transaction on the Financial Instruments to which the inside information refers
- carrying out, in the name and/or on behalf of Kevlar Group or Kedrion, the purchase, sale or any other transaction on the Financial Instruments to which the Inside Information relates;
- cancelling or amending an order concerning a financial instrument to which the Inside Information refers, if such order was placed before the Obligated Party came into possession of said Inside Information;
- recommending or inducing others, on the basis of inside information acquired, to buy, sell or engage in any other transaction in the Financial Instruments to which the information relates.

7. OPERATING MODES FOR IDENTIFYING AND DISSEMINATING INSIDE INFORMATION

7.1. IDENTIFYING INSIDE INFORMATION

7.1.1. For the purposes of complying with public disclosure obligations, the assessment of the inside nature of information is made on a case-by-case basis taking into account the

¹ No action is envisaged together with the issuer to which the information relates, but only the compliance of confidentiality obligations and the abstention from carrying out any transactions on the securities of said issuer.

characteristics of the Inside Information as referred to in section 4, as well as the relevance of circumstances to Kevlar Group's economic, asset and financial indicators. The above assessment is the duty of Kevlar's Chairman of the Board of Directors, who is supported by Kedrion's CEO, CFO and Global General Counsel, as well as any other departments involved in relation to the content and type of information. In the event Kevlar's Chairman of the Board of Directors deems it advisable or necessary, he/she may reserve the assessment to the Board of Directors, referring the decision on the matter to the latter.

- 7.1.2. Notwithstanding the provisions of section 7.1.1, all employees and collaborators of Kevlar or of Kedrion and its Subsidiaries must report, as soon as possible, to their own Company Representative any information that - based on their reasonable appreciation and on the basis of a preliminary judgement - they deem may be qualified as Inside Information, so that the Company Representative may consequently manage it in compliance with the provisions of this Procedure.
- 7.1.3. If the Company Representatives believe they have come into possession of Inside Information concerning Kevlar Group or Kedrion, they are required to notify, as soon as possible, the Head of the Corporate Secretary's Office, providing all elements deemed necessary to assess its relevance and naming all parties who have knowledge of it, or to whom the information must be disclosed due to their working or professional activities, or due to their duties.
- 7.1.4. The Head of the Corporate Secretary's Office, possibly availing himself of the support of Kedrion's Global General Counsel, carries out a preliminary verification of disclosed information, requesting any further information deemed necessary from the relevant corporate functions. Subsequently, he/she discloses the information to Kevlar's Chairman of the Board of Directors, who is in charge of formally ascertaining the insider nature of information.
- 7.1.5. If, at the end of the investigation, the existence of Inside Information is ascertained, Kevlar's Chairman of the Board of Directors, with the support of Kedrion's CEO, CFO and Global General Counsel:
- arranges the manner of disclosure of Inside Information, in accordance with the provisions of this Procedure; and
 - assesses the need to update the Insider List, in accordance with the procedures set out in the 'Procedure for Establishing, Maintaining and Updating Insider Lists', to which reference must be made for further information.
- 7.1.6. If, as a result of the identification process referred to in this section, information is classified as Inside Information, it must be disclosed to the public as soon as possible, in accordance with the procedures set forth in the following section 7.2 of this Procedure and in accordance with current legislation.

7.2. PUBLIC DISCLOSURE OF INSIDE INFORMATION

- 7.2.1. Pursuant to current regulations, the Company is required to disclose Inside Information to the public, as soon as possible, by means of (a) a press release distributed through 1INFO and in the Investor Relations section of Kedrion S.p.A.'s website; (b) the disclosure of such inside information to the *Commission de Surveillance du Secteur Financier* through the eRIIS platform (<https://www.cssf.lu/en/eriis/>);.

The Company ensures that Inside Information is made public in a manner that allows for fast access and a complete, correct and timely evaluation of the information by the public.

7.2.2. Also in accordance with the provisions of the regulations in force², the Company discloses Inside Information by means of a technical tool that allows it to

- distribute Inside Information: (i) without discrimination to the widest possible audience; (ii) free of charge; (iii) simultaneously throughout the European Union;
- Inform on Inside Information, directly or through third parties, to the media on which the public reasonably relies for the effective dissemination of such information. The disclosure shall be made through an electronic medium that preserves the completeness, integrity and confidentiality of information being transmitted and clearly states: (i) the insider nature of the information disclosed; (ii) the Issuer's full corporate name; (iii) the notifier's identity: first name, last name, position with the Issuer; (iv) the subject of Insider Information; (v) the date and time of disclosure to the media.

7.2.3. Following the ascertainment by the Chairman of the Board of Directors or the Chief Executive Officer of Kevlar or Kedrion of Inside Information, Kedrion's CFO (also through his/ her representative) shall:

- prepare the draft of the press release - in compliance with the requirements of clarity, consistency and symmetry of information - on the basis of the information received from the Company Representatives, verifying, with the support of the Company Representatives involved, Kedrion's Global General Counsel and Kedrion's Chief Communication Officer, that (i) the press release meets the applicable regulatory requirements (ii) the press release contains all appropriate elements to allow for a complete and correct evaluation of the events and circumstances represented, as well as links and comparisons with the content of previous press releases; and (iii) that any data concerning the economic and financial situation contained in the text of the press release is complete and correct;
- forward the draft of the press release to Kevlar's Chairman of the Board of Directors for final approval and authorisation for disclosure;
- Distribute the press release to the public using the communication methods referred to in Section 7.2 of this procedure.
- publish the press release in its entirety in the Investor Relations section of the Company's website in accordance with the following section 7.3.

7.2.4. The disclosure to the market of Inside Information related to Kevlar by means of a press release is the duty of Kedrion's CFO (also through his representative).

7.2.5. Inside Information shall in any case be disclosed as soon as possible if there are reasonable grounds to believe that, despite the fact that appropriate procedures have been adopted to maintain the information's confidential nature, (i) confidentiality obligations have not been complied with, or (ii) there have been shortcomings or malfunctions in the relevant public disclosure.

² Pursuant to Article 2 of Implementing Regulation (EU) 2016/1055 of 29 June, 2016.

7.3. DISCLOSURE OF INSIDE INFORMATION THROUGH THE WEBSITE

7.3.1. In addition to the provisions of the preceding section 7.2 with regard to public disclosure obligations of Inside Information, Kevlar makes available in the Investor Relations section of its website (<https://www.kedrion.com/>) institutional information such as the consolidated financial statements, the consolidated half-yearly financial report, press releases, documentation made available to financial analysts and institutional investors.

7.3.2. In order to guarantee correct information, the departments existing within Kedrion and relating to Finance, Global Legal & Corporate Affairs and Communication, each for the data falling under its remit, are required to

- report institutional news in accordance with appropriate editorial criteria, which take into account the information function that characterises financial communications, avoiding pursuing purposes outside the scope of the specific disclosure;
- ensure that the contents of the foreign language version and the Italian version are consistent;
- cite the source of the information for data and news processed by third parties;
- state whether the documents published on the site are the full version or an extract or summary, describing in the latter case how to find the documents in their original format;
- in the event of material and significant errors in the information published on the site, issue a notice of correction as soon as possible, highlighting the corrections made;
- clearly state the date when the information was updated, where relevant.

7.3.3. The Company is required to publish all Inside Information both in the manner set forth in section 7.3.1 as on its website in an easily identifiable section that is freely accessible (without discrimination) to all users, and to ensure that Inside Information published on the website clearly specifies the date and time of disclosure and is presented in chronological order. The Company shall store on its website, for a period of at least five years, all Inside Information that it is required to disclose to the public.

7.4. DISCLOSURE IN THE PRESENCE OF RUMORS

- 7.4.1. Notwithstanding the fact that the Company is not obliged to comment on any *rumours*, in cases of:
- (a) Significant changes in the price of Kevlar's Financial Instruments in the presence of news in the public domain that have not been disseminated in the manner set forth in the preceding section 7.1, 7.2 and 7.3 concerning the Company;
 - (b) presence of news in the public domain, not disseminated in the manner indicated in the previous section 7.2.1, and capable of significantly influencing the price of Kevlar's Financial Instruments,

Kevlar's Chairman of the Board of Directors, in coordination with Kedrion's CEO, CFO and the Chief Communication Officer, in coordination with its Global General Counsel and the Head of the Corporate Secretary's Office, reviews the situation in order to assess the need or advisability to inform the public on the truthfulness of news in the public domain, supplementing and correcting, where deemed necessary, its content in order to restore conditions of correctness of information. Furthermore, the need to inform the public must be assessed in the light of the possible use of the institution of delay (referred to in the following section 7.7), as rumours concerning Inside Information not yet disclosed point to a breach of the confidentiality obligation.

- 7.4.2. In the event of a positive outcome of the above review, the relevant press release, subject to the approval of Kevlar's Chairman of the Board of Directors, shall be issued and distributed in the manner specified in the preceding section 7.2.
- 7.4.3. The monitoring of any rumours is the responsibility of Kedrion's Chief Communication Officer in coordination with Kevlar's Chairman of the Board of Directors, Kedrion's CEO, Kedrion's CFO, Kedrion's Global General Counsel and the Head of the Corporate Secretary's Office..

7.5. DISSEMINATION OF FORWARD-LOOKING INFORMATION

- 7.5.1. Forward-looking information is understood to mean information containing forecast data relating to the financial, economic and financial situation, both individual and consolidated, or to the quantitative goals of the management of Kevlar Group and Kedrion ("**Forward-looking information**").
- 7.5.2. The Company is not obliged by law to disclose Forward-looking information but, if it decides to disclose it to selected parties outside of the assumptions of the normal exercise of an occupation, profession or function (e.g. Sending of information due to compliance with contractual obligations in respect of banks and rating agencies, accompanied by the assumption by the latter of appropriate confidentiality obligations), it must also disclose it to the public. In this case, Forward-looking information is made available to the public in the manner provided for in the preceding sections 7.2 and 7.3.
- 7.5.3. If the Company decides to disclose Forward-looking Information, the consistency of the actual management performance with Forward-looking Information previously disclosed to the market must be continuously monitored in order to detect any deviations. The ascertainment of deviations from Forward-looking Information must be carried out with reference not only to the results that become apparent at the time of the formal approval of accounting situations (quarterly, half-yearly and annual), but also at the time of subsequent forecasts that update the estimates contained in the Forward-looking Information previously released. In the event of significant deviations (positive or negative), the Company must inform the public as soon as possible, providing the reasons. The monitoring and assessment of deviations from Forward-looking Information is the duty of Kevlar's Chairman of the Board of Directors, Kedrion's CEO and Kedrion's CFO.
- 7.5.4. In addition, in the event that Kedrion's forecast results are significantly lower than market

expectations (also based on the so-called *consensus estimate*, i.e. the overall judgement that results from the set of opinions expressed by analysts and that Kedrion must continuously monitor also through the evaluation of published financial analyses), Kevlar's Chairman of the Board of Directors urgently convenes the Board of Directors to assess the need to resolve on the possible issuance of a *profit warning*. If the Board of Directors resolves on a *profit warning*, this must be disclosed to the market as soon as possible.

7.6. DISSEMINATION OF INFORMATION AT SHAREHOLDERS' MEETINGS AND MEETINGS WITH ANALYSTS, INSTITUTIONAL INVESTORS AND THE FINANCIAL COMMUNITY IN GENERAL. RELATIONS WITH THE PRESS

7.6.1. If Inside Information is disclosed during the shareholders' meeting, it must be disclosed as soon as possible in the manner set forth in the preceding sections 7.2 and 7.3.

7.6.2. If Inside Information is inadvertently disclosed during the course of meetings with financial market operators, the CFO shall report it for the purpose of implementing public disclosure in the manner set forth in the preceding sections 7.2 and 7.3.

7.6.3. Relations with the press and the media in general regarding information that can be deemed as Inside Information are authorised by Kevlar's Chairman of the Board of Directors and are carried out exclusively through the latter as well as Kedrion's CEO, its Chief Communication Officer or CFO. The latter are required to verify in advance, in coordination with Kevlar's Chairman of the Board of Directors, Kedrion's CEO, the Head of the Corporate Secretary's Office and/or Kedrion's Global General Counsel, that information to the press and media in general is provided in compliance with reference legislation on the public disclosure of Inside Information.

7.7. DELAY IN THE PUBLIC DISCLOSURE OF INSIDE INFORMATION

7.7.1. Pursuant to current legislation³, the Company may delay, under its own liability, the public disclosure of Inside Information, provided that all of the following conditions are met:

- (a) immediate disclosure would likely prejudice Kevlar's or Kedrion's legitimate interests;
- (b) It isn't likely that the delay in disclosure would have the effect of misleading the public;
- (c) Kevlar and Kedrion are able to guarantee the confidentiality of such information.

In the case of a protracted process, which occurs in stages and is intended to materialise or involves a specific circumstance or event, the Company may, under its own liability, delay the public disclosure of Inside Information related to such process, subject to compliance with the above conditions.

Furthermore, if the disclosure of Inside Information is delayed and its confidentiality is no longer guaranteed, the Company shall disclose such Inside Information to the public as soon as possible.

7.7.2. If the timely disclosure of Inside Information could prejudice a legitimate interest of Kevlar Group or Kedrion⁴, Kevlar's Chairman of the Board may decide, under his own responsibility and in compliance with applicable regulations as referred to above and where appropriate, after consulting Kedrion's CEO, the Global General Counsel and the Head of the Corporate Secretary to delay the public disclosure of such information. In the event Kevlar's Chairman of the Board of Directors deems it advisable or necessary, he/she may reserve the assessment to the Board of Directors, referring the decision on the matter to the latter.

³ Pursuant to Art. 17, section 4 et seq. of the MAR Regulation.

⁴ By way of example, subject to compliance with the conditions laid down in the regulations, the disclosure of information relating to ongoing negotiations or related items could be delayed if public disclosure could jeopardise their outcome or normal course

7.7.3. Kevlar's Chairman of the Board of Directors (if the decision is not taken by the Board of Directors), with the support of Kedrion's CEO, the Global General Counsel and the Head of the Corporate Secretary's Office:

- (i) preliminarily assesses the occurrence of a relevant condition, as set forth above, that may justify delaying the disclosure of Inside Information, concerning the Company or its Subsidiaries;
- (ii) decides whether to delay the disclosure;
- (iii) identifies the reasons for the delay;
- (iv) oversees the drafting of the delay report referred to in the following section 7.7.4 and the sending of the latter to the Relevant Authority using the electronic means specified by the latter, including (a) the Company's complete corporate data, providing the full company name; (b) the identity of the notifying party with the name, surname and position held in the Company; (c) the contact details of the notifying party, with the e-mail address and professional telephone number (d) identification of Inside Information affected by the delay in disclosure, including the title of the disclosure announcement, the reference number (if assigned by the system used to disclose Inside Information), the date and time of the disclosure of Inside Information to the public; (e) the date and time of the decision to delay disclosure of Inside Information; and
- (v) decides when to disclose Inside Information, also having regard to any market rumours.

(a) Legitimate interest

A legitimate interest in delay is presumed to exist, by way of example but not limited to, in cases where:

- (i) the disclosure of Inside Information while negotiations are pending could jeopardise the successful outcome of such negotiations;
- (ii) the Company's financial stability is in serious and imminent danger and the immediate disclosure of Inside Information could jeopardise the Company's financial recovery;
- (iii) decisions taken or contracts entered into by one body require the approval of another body;
- (iv) immediate disclosure of Inside Information concerning the development of products or inventions could jeopardise intellectual property rights;
- (v) Inside Information relates to the Company's decision to sell or purchase a significant shareholding in another issuer;
- (vi) an authority has specified that the authorisation of an extraordinary transaction is subject to compliance with certain conditions.

(b) Misleading effect

A delay is considered misleading to the public, by way of example but not limited to, in cases where Inside Information that is the subject of the delay:

- (i) is significantly different from a previous public announcement by the Company on a matter to which the Inside Information relates;
- (ii) relates to the non-achievement of the financial goals of the Company, Kevlar Group or Kedrion if such goals have been previously publicly announced;
- (iii) is contrary to market expectations, if such expectations are based on signals given in

advance by the Company.

(c) Confidentiality

The disclosure of Inside Information in relation to which the Company is not able to guarantee confidentiality must not be delayed and more specifically,

- (i) access to such information must be prevented to persons other than those who need it for the performance of their duties within Kevlar Group, with prior identification of the latter;
- (ii) suitable confidentiality clauses must be provided - where necessary - and the above persons must be included in Insider Lists;
- (iii) it must be ensured that the persons having access to such information recognise the duties arising therefrom and are aware that, in the event of abuse or unauthorised disclosure of the information, penalties shall apply.

7.7.4. For the purpose of delaying Inside Information, the Company must use technical tools that ensure accessibility, readability and storage on a durable medium (e.g. Microsoft Excel or Word or other software provided by the service provider) of the following information:

- (i) date and time
 - (a) of the first existence of the Company's Inside Information;
 - (b) of the decision to delay the disclosure of Inside Information;
 - (c) of the likely disclosure of the Company's Inside Information;
- (ii) Information on the Director with delegated powers as the person in charge
 - (a) of taking the decision to delay disclosure and of the decision establishing the beginning of the period of delay and when it is likely to end;
 - (b) of the on-going monitoring of conditions permitting the delay;
 - (c) taking the decision to disclose Inside Information to the public;
 - (d) notifying to the relevant authority of requested information on the delay and the explanation in writing;
- (iii) Evidence of the initial fulfilment of conditions for the delay in disclosure and any changes thereto occurring during the period of delay, including
 - (a) protective information barriers erected both internally and externally to prevent access to Inside Information by persons other than those who, at the Company, must have access to it during the normal performance of their professional activities or duties;
 - (b) arrangements in place to disclose Inside Information as soon as its confidentiality is no longer guaranteed.

When the Company delays the disclosure of Inside Information, immediately after information has been disclosed to the public, it shall notify such delay to the relevant Authority, to which it shall provide in writing, in the event of a subsequent request, an explanation of the manner in which the conditions for availing of the delay were met, using the appropriate form made available by the Authority on the relevant dedicated platform⁵.

7.7.5. The report to be sent to the relevant authority, in the event of a subsequent request, is drafted by the head of the Corporate Secretary's Office and must be approved by Kevlar's Chairman of the

⁵ This is the eRIIS platform to be used to report any delay in the disclosure of inside information

Board of Directors. The text must describe how the conditions for the delay were met and the reasons for it. A copy of the form, initialled for approval by Kevlar's Chairman of the Board of Directors, must be kept by Kedrion's Corporate Secretary's Office.

7.8. OTHER FORMS OF COMMUNICATION AND EXTERNAL RELATIONS

7.8.1. All relationships with the press and other means of communication, as well as with financial analysts and institutional investors and any other third party with respect to Kevlar Group or Kedrion, concerning data, documents and information in general regarding the Company, must be expressly authorised by Kevlar's Chairman of the Board of Directors and must be managed through Kedrion's CEO, CFO or the Chief Communication Officer, in order to ensure compliance with the Company's policies on external communications, as well as with the legislative and regulatory obligations in force, with specific regard to equality of information between the various operators and with respect to the market.

8. PENALTIES ARISING FROM BREACHES OF OBLIGATIONS RELATING TO MANAGING INSIDE INFORMATION

8.1. Breach of applicable regulations on market abuse and of obligations to comply with this Procedure entails administrative and criminal liability for the perpetrator and in some cases for the Company (also pursuant to Legislative Decree no. 231/2001).

8.2. Specifically, current European legislation on financial crimes penalises illegal conduct relating to:

- abuse of Inside Information. Pursuant to the applicable legislation⁶, insider trading occurs when a person who has Inside Information uses such information by acquiring or disposing of, for his/her own account or for the account of a third party, directly or indirectly, Financial Instruments to which such information relates. The use of the above information by cancelling or changing an order concerning a Financial Instrument to which the information relates when such order was placed before the person concerned came into possession of said Inside Information is also deemed an abuse of Inside Information. Illegal conduct also includes conduct by a person who, in possession of Inside Information, recommends or induces a third party: i) to purchase or dispose of Financial Instruments to which such information relates; ii) to cancel or amend an order concerning a Financial Instrument;
- Unlawful disclosure of Inside Information. In accordance with applicable legislation⁷, an illicit disclosure of Inside Information occurs when a person is in possession of Inside Information and discloses that information to another person, except when the disclosure occurs during the normal course of the performance of an occupation, profession or duty;
- market manipulation. For purposes of applicable legislation⁸, market manipulation is defined as the following activities:
 - initiating a transaction, placing an order to trade or any other conduct that: (i) sends, or is likely to send, false or misleading signals as to the supply, demand or price of a Financial Instrument, or (ii) allows, or is likely to allow, the market price of one or more Financial Instruments to be fixed at an abnormal or artificial level unless the person who enters into a transaction, places an order to trade or has engaged in any other conduct establishes that such transaction, order or conduct is justified for legitimate reasons and is in conformity with accepted market practice in accordance with the MAR Regulation;

⁶ Pursuant to Art. 8 of the MAR Regulation.

⁷ Pursuant to Art. 10 of the MAR Regulation.

⁸ Pursuant to Art. 12 of the MAR Regulation.

- the launching of a transaction, placing of an order to trade or any other activities or conduct which affects, or is likely to affect, the price of one or more Financial Instruments, using artifice or any other form of deception or contrivance;
- the dissemination of 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, demand or price of a Financial Instrument or which enables, or is likely to enable, the market price of one or more Financial Instruments to be set at an abnormal or artificial level, including the dissemination of rumours, when the person who disseminated such information knew, or ought to have known, that it was false or misleading;
- the sending of false or misleading information or the provision of false or misleading data in relation to a benchmark index when the person who has Sent or provided the data knew, or should have known, that it was false or misleading, or any other conduct that manipulates the calculation of a benchmark index.

9. FINAL PROVISIONS

9.1. DISSEMINATION OF THE PROCEDURE

9.1.1. It is the duty of the Head of the Corporate Secretary's Office to bring the Procedure to the attention of all the Obligated Parties who are members of the Board of Directors, members of the Board of Statutory Auditors and of other control bodies, persons performing management functions, employees of Kevlar Group.

With regard to the dissemination of the Procedure to Kevlar Group employees, the Head of the Corporate Secretary's Office will be supported by Kedrion's Human Resources department. On the other hand, with reference to external parties with which Kevlar enters into a contract, the commitment that said parties will substantially comply with applicable provisions of law and this procedure in relation to any Inside Information that the third party may become aware of must be guaranteed, also by introducing specific clauses in the relevant contracts.

9.1.2. This Procedure and relevant procedures, as well as the legal and regulatory provisions referred to herein, are made available for consultation on the company Intranet site.

9.2. NON-COMPLIANCE WITH THE PROCEDURE - PENALTIES

9.2.1. Without prejudice to the penalties prescribed by applicable laws on insider trading and market manipulation, the provisions of this Procedure form an integral part of contractual obligations undertaken by the Obligated Parties.

9.2.2. Failure to comply with the provisions of this Procedure on the part of Obligated Parties may constitute a breach of contractual obligations, with all legal consequences, including the application of disciplinary sanctions provided for by the law and by the contractual rules applicable to individual Obligated Parties, the termination of the contract or of the appointment and any compensation for damages.

9.3. AMENDMENTS AND ADDITIONS

9.3.1. Any amendments and/or additions to this Procedure must be approved by the Board of Directors, without prejudice to formal amendments and/or amendments resulting from changes in the laws in force, which may be made by the Chairman of the Board of Directors, who must inform the

Board during the first meeting.

9.3.2. The updated text of the Procedure shall be brought to the attention of all Obligated Parties.

ANNEX I - COMPANY CONTACTS

CEO Kedrion

Chief Financial Officer Kedrion

Chief HR Officer Kedrion

Chief Regulatory Affairs Officer Kedrion

Chairman of Kevlar's Board of Directors

Officer Chief Communication Officer

Chief Commercial Officer Kedrion

Chief Operating Officer Kedrion

Head of Research and Innovation Kedrion

Global Plasma CEO Kedrion

Global General Counsel Kedrion

Corporate Business Dev. & Strategy Director Kedrion