

# illimity Way

Identity, values, commitment, people and resources.  
Integrity manual of the illimity Bank Group.



**illimity Way** explains who we are, what we do and the values we believe in.

It's our **commitment** to customers, shareholders, suppliers and business partners, to the supervisory authorities and the public administration, to the media and to the Country in which we are proud to work and to whose growth we are always ready to contribute. It's our commitment to respect the environment as a means of protecting the future of us all.

It's the way we look after our **human capital** and safeguard our **corporate assets**.

illimity Way describes the business culture of responsibility, legality, transparency and value creation which we have undertaken to foster and disseminate at all levels of the organisation, pursuing **sustainable success** for long-term value creation for the benefit of shareholders, taking into account the interests of relevant stakeholders.

illimity Way is a daily tool for helping us find our way among the **behaviours** we can accept and those we can never accept.

illimity Way is a safeguard for illimity and its reputation, it's the basis of the rules and principles that make effective **all the principles and values in which the Group identifies** itself.

illimity Way is addressed to the members of the Group's **corporate bodies**, to the **managers, employees** and **collaborators** with whom the Group works and who provide their contribution to illimity's activities.

illimiters acknowledge the illimity Way, they abide by its principles and make an **active** contribution to its dissemination.

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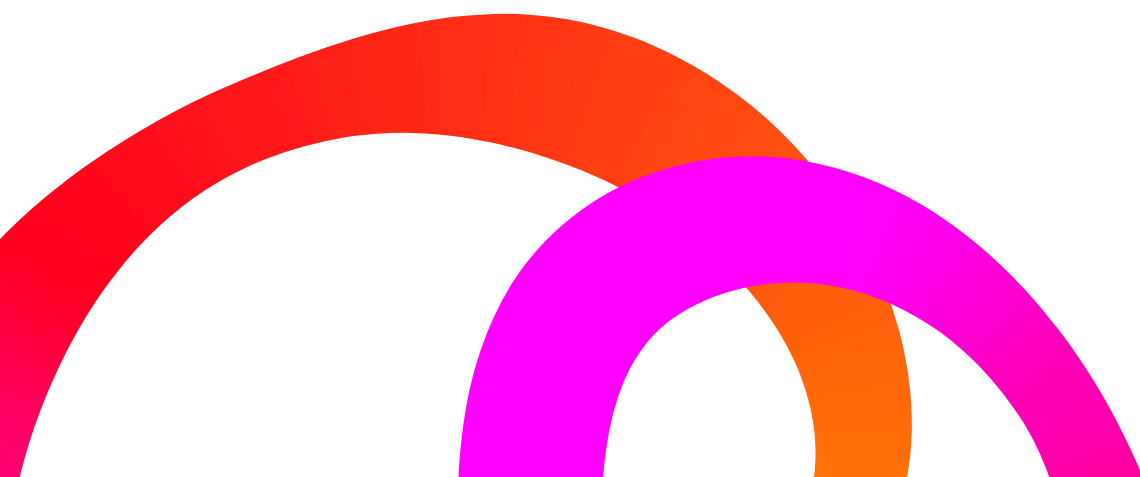
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01.

Identity  
and values



# IDENTITY AND VALUES

**Our values are the result of the collective work of illimiters since the construction of our identity starts from people.**

**We have always had a clear mission:  
to enhance the value and recognise the importance of the potential  
of people, families and businesses.**

## **We are a bank and we are proud of it**

First and foremost we lend credit with the intent to discover and bring out the value of the many forms of potential hidden in our economy and society:

- **businesses which, if supported, could take a great leap forward**
- **businesses which, if accompanied, could get back on the right track**
- **businesses with difficulties, but from which value can still emerge**

Inside and behind these businesses there are individuals and families and all around them lies a community: our intervention can increase their well-being.

## **We live of innovation**

We are a bank based on a new paradigm, created by listening to the real needs of businesses and people; from this starting point we set out to redesign the way of being a bank and doing banking from the basics, combining the latest technologies with the best expertise and experience.

## **We believe in freedom**

We have an entrepreneurial spirit and we feel free to go beyond the preconceived and conformist ideas of the traditional system and independent from external conditioning.

## **We act responsibly**

- **towards our shareholders** by committing ourselves to optimise returns, even in the medium term, on the capital with which we have been entrusted
- **towards our customers** by speaking clearly, responding quickly, accompanying them in their challenges
- **towards our collaborators** by unleashing their potential, creating value from their diversity, encouraging the right balance between work and personal life
- **towards our partners** by acting as a platform for collaboration and new opportunities
- **towards society and the environment** by generating positive impacts

We want to show we are able to make profits with facts, but also that we are useful to the community and contribute to its well-being by building mutual trust.



### **RELEVANT REGULATORY FRAMEWORK**

- Bylaws
- Corporate Governance Project
- Preparation of the Non-Financial Statement (NFS)





# 02.

## Commitment



# COMMITMENT

**It is our responsibility to put our commitment to our stakeholders into practice, by converting our commitments into strategies, decisions and actions every day. We want the people who put their trust in us to continue to do so.**

**We are committed to understanding the real needs of our customers so that we can work alongside them in their daily challenges, ranging from the realisation of their entrepreneurial ideas to solutions for investing their savings and making payments.**

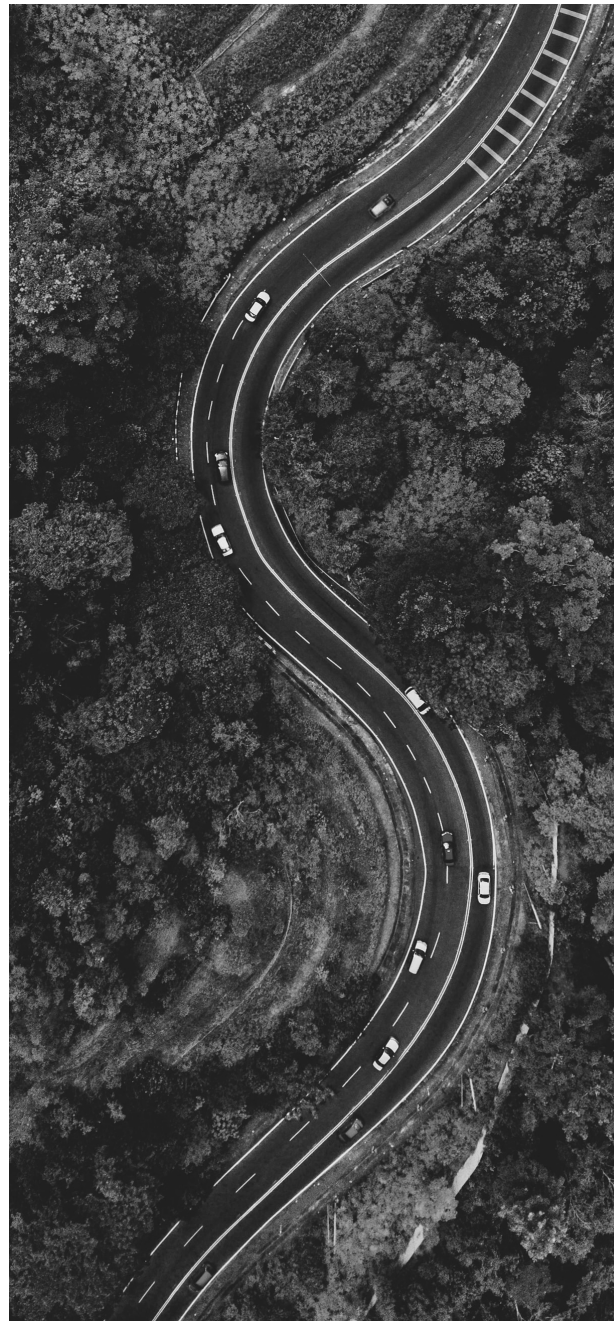
## HOW

We listen carefully to our customers, from the very first encounter, to understand their activity, their way of working and their real expectations and to establish a long-term relationship with them by providing and constantly developing the products and services that respond to their interests and needs.


We are transparent in our communications, we avoid formalities when furnishing information on the nature and features of our services and products, on the risks of individual transactions and on the fees we charge, so that the customer can take informed decisions with as much knowledge as possible.

We evaluate solutions to deal with difficult situations or specific needs that may arise during the relationship, always providing a clear reply to any questions asked, even if these express dissatisfaction or involve complaints.

We are convinced that access to credit and banking services represents a fundamental lever in social inclusion. For this reason we support both the development of new entrepreneurial ideas and the financing of businesses in difficulty, in this way fostering the creation of as yet unexpressed economic and social value and enabling business owners and employees to improve their condition and exercise their citizenship rights in full.







**We are committed to repay the trust of our shareholders by integrating sustainability into the Group's growth strategies, processes and governance, because it is important for us for their trust to be sound and for their investment to be adequately remunerated over time.**

## HOW

We are a sustainable native company and, in line with the most relevant international principles - first and foremost those of the UN Global Compact - we adopt a healthy and responsible growth approach, setting medium- and long-term goals to ensure sustainable finance.

We continuously exchange views with our shareholders and, in light of shareholders' meetings, publish timely, complete and clear information on the strategies, operations and results of the Bank and Group companies, also from the perspective of sustainable success, putting this at the disposal of all our shareholders and relevant stakeholders, without any fast-track approach.

In compliance with banking sector legislation and in line with Corporate Governance Principles and the OECD Guidelines for Multinational Enterprises, we follow efficient corporate governance rules that clearly assign roles and responsibilities to the corporate bodies and management, always ensuring alignment with the interests of the Group and its shareholders and with the principles of honesty, transparency, fairness and independence.



### THE INTERNATIONAL REFERENCES THAT GUIDE US ARE:

- UN Global Compact
- UN Sustainable Development Goals ('SDGs')
- UN-backed Principles for Responsible Investment (PRI)
- EU Non-Financial Reporting Directive
- Global Reporting Initiative ("GRI") standards
- EU Strategy for Financing the Transition to a Sustainable Economy
- EU Disclosure Regulation – SFDR (Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector)
- EU Taxonomy (Regulation (EU) 2020/852)

**We are committed to sharing the objectives and values that inspire the Group's activities and initiatives with our partners and suppliers, in order to constantly improve and strengthen relations, mutual trust and transparency in relationships.**

## HOW

With our counterparties we assume and encourage a proactive role in the relationship, even when this means pointing out issues whose solution calls for a common commitment.

We select suppliers and partners on the basis of clear and transparent criteria, taking into consideration professional qualities and adequate service levels, reputation, reliability and compliance with the rules and human and labour fundamental rights. We additionally demand for high ethical, environmental and social standards, evaluating sustainability factors in the selection of the supply chain.

From the start of activities through to the settlement of payments, relationships are managed with the necessary professional diligence and care, constantly ensuring that the contractual documentation and accounting records correspond to the activities actually carried out. All transactions are properly recorded and authorised as well as being verifiable, lawful, consistent and appropriate.



**In compliance with laws and regulations, we are committed to standards based on the utmost transparency and collaboration with the supervisory authorities and the public administration.**

## HOW

Aware of the numerous, different sets of laws and regulations that govern the work of a banking group, we ensure that all our people, ranging from members of the corporate bodies to employees, from managers to external collaborators, know and abide by the rules established by our internal policies, comply with legal requirements and act in accordance with the provisions issued by the supervisory authorities.

We also put the same daily commitment and professional care into the activities in which we are involved with the authorities, matters ranging from statistical measurements to the requests for data and information, from the requests for corrective action to the performance of remote or on-site controls, ensuring full collaboration and avoiding any delaying or obstructive behaviour.

Our conduct towards representatives, officials or employees of the public administration is based on principles of respect and support, avoiding any behaviour that may be seen as being inappropriate or interference which may in any way affect the relationship either directly or indirectly.



**We are committed to recognising the fundamental role of the media and using all information channels, without priorities or distinctions, to make our voice heard and listen to that of others.**

## HOW

Communication that is free, clear, accurate and consistent with the Group's policies and programmes is one of our distinctive features, and we are opposed to all forms of ambiguous messages or those without contents only aimed at increasing the Group's reputation.

We have functions in charge of relations with the press and the other means of mass communication, but also rules that enable our people to spontaneously share their experience and interests, in accordance with the regulations of the Group that govern effective confidentiality requirements.

We use the media to promote the Group, the companies that form part of it and the products and services we provide, in accordance with the basic values of civil society that call for truth and accuracy in all promotional messages and repudiate inappropriate and misleading messages and those that are in any way offensive.



**We are committed to investing and carrying out a credit policy that prevents and carefully assesses the social and environmental risks of this country and its local communities, supporting economic activities that respect the territory and the fundamental principles that govern society.**

## HOW

We are aware of the responsibilities that banks have to foster and provide suitable support for the economic and social growth of the Country in which we operate, we offer financing opportunities that are tailored to favouring a new way of doing business, companies formed by people and their ideas that are designed to recover value from businesses that have encountered or are encountering difficulties.

We believe that effective support at a local level, combining economic results and respect for the basic values of local communities, can unleash all the unexpressed potential of the essential economic driver consisting of Italy's small and medium-sized businesses. Which is why we attribute a fundamental value to establishing relations with the local communities with whom we come into contact and giving attention to the needs of the local areas in which we work.

Our business strategy does not allow us to support economic activities which, even indirectly, are not respectful of the fundamental rights of human beings, communities of people and society, which stand in the way of their freedoms, development and lifestyle or which may affect the health and safety of the environment in which we live.



### INTERNATIONAL REFERENCES TO GUIDE US ARE:

- Ottawa Convention (Anti-Personnel Mine Ban Treaty)
- Oslo Convention on Cluster Munitions
- Biological Weapons Convention
- Chemical Weapons Convention
- Nuclear Non-Proliferation Treaty
- Arms Trade Treaty
- OECD Recommendation of the Council on OECD Legal Instruments Artificial Intelligence
- OECD AI Principles

**We are committed to respecting the environment, avoiding waste and seeking solutions to minimise the environmental and climate impact of our decisions**

## HOW

Safeguarding the environment is a key dimension of our social responsibility. Our daily work, the offices in which our business lives, the way our work is organised (including remotely) and the systems we use every day ensure full and substantial compliance with international environmental and climate protection legislations and principles, in accordance with the objectives enshrined in the Paris Agreement (COP 21).

We adopt measures designed to restrict and, where possible, eliminate negative environmental impact, we choose to prevent any detriment to the environment rather than repair any damage already inflicted, we monitor scientific progress in the environmental prevention and protection sector and we assess and manage climate and environmental risks for the Group and our counterparts.

Our usage and consumption follows an approach based on the conscious knowledge of the resources required to conduct our business through the implementation of ad hoc controls in our corporate ecosystem and progressively improving energy efficiency, monitoring environmental data and continuously raising the awareness of our people, at all levels, from the standpoint of an “environmental education” that starts with individual behaviour.



### RELEVANT REGULATORY FRAMEWORK

- Consolidated Non-Financial Statement
- Expense Procedure
- Product Policy
- Communication Policy
- Single Credit Procedure
- Financial Statement Closing Process
- Investor Relations Policy
- Planning Policy
- Operating Strategy
- Budget & Control Procedure
- Operating Continuity Plan
- Incident and Fraud Management Procedure
- Complaint Management Policy
- Inspection Procedure



03.

People



## PEOPLE

**We develop human potential in every direction because our people are the most tangible evidence of illimity's identity.**

Our **leadership model** reflects missions and values and guides the behaviours of every illimiter, in order to give substance, every day, to our identity.

We build our way of being a bank even through resource management processes ranging from selection to assessment and development schemes in order to obtain the maximum sharing of our values at both an individual and collective level.

We believe that individual well-being is the prerequisite for building a valuable relationship with our people over time. For this reason we have created an advanced modular benefit & welfare model that is able to meet the needs of our colleagues and their families.

Our working ecosystem is based on the best available collaboration tools and follows a no-silo mindset, so to leverage on specific skills and experience of each individual in order to efficaciously achieve the Group's objectives.

We foster the continuous **training** as a crucial driver of the individual and collective development.

We provide every illimiter with a system of multi-channel training (on the job, classroom, e-learning and blended) that gathers individual training needs and is constantly updated in line with the evolution of the internal and external as well as professional and social environments.

We pay attention to provide tailored training: from the knowledge of banking rules to the technical education as a means of acquiring specialist skills with a view to up and cross skilling, from the development of "sustainable management" to the consolidation of leadership and to a constant emphasis on that "psychological capital" consisting of determination, positivity and resilience which can now make the difference more than ever before.



We recognise the **importance of human capital**, requiring our people to fostering professionalism, dedication, loyalty, honesty and a cooperative spirit.

We adopt the principles of impartiality, value and competence when taking decisions on staff relations, offering all our workers the same opportunities and a fair compensation in compliance with the regulations set in the collective labour agreements.

In line with the ILO Declaration on Fundamental Principles and Rights at Work , we believe that respect for the personality and dignity of every collaborator is the basis for creating a “healthy” working environment, one imbued with mutual trust and loyalty and enriched every day by the contribution of everyone involved.

That is why the recruiting processes and human resource management are driven by fair and consistent conduct, avoiding favouritism, abuse and discrimination based on gender, race, religion, political or trade union affiliation, sexual orientation or identity, language, age or disability.

We guarantee equal opportunities for professional development and growth, access to training courses and role-assignment initiatives all the way from the candidate selection stage.

We give all employees the possibility to expressing their individuality and creativity in their work and We value everybody’s diversity and specific characteristics as a way of boosting innovation and making an essential contribution to the Group’s growth.

We place the maximum emphasis on defining objectives, in this respect fostering understanding and sharing and follow a measurable and transparent remuneration and incentive policy, setting concrete, measurable and attainable objectives.

We never forget the need for a **good balance between personal and professional life**, encouraging forms of flexibility and carrying out initiatives for reconciling work and private commitments, certain that this balance is also fundamental for the collective well-being.

We believe in the importance of involving staff to increasing the sense of belonging and continuous growth, envisaging communication moments and tools adapted to the needs of the specific recipients.



To pursue sustainable and profitable growth we are committed to opposing all discriminating acts and practices and, differently, fostering a culture of **diversity** and **inclusion** in compliance with applicable laws and regulations as well as international best practice. We establish and apply diversity criteria at all levels of our organisation, even in the composition of the corporate bodies.

We comply with applicable laws and regulations, we provide shareholders with information on the criteria identified, their implementation in practice and the results deriving from their application, inviting them to submit candidate lists that enable:

- suitable gender representation and a balance between members whose names have been sponsored by the shareholding structure and those others by independent persons;
- managerial and soft skills that give value to formative background and professional experience, including that one at international level, and sectors of expertise;
- different generations, age bands and role seniority working alongside each other.

Diversity and inclusion represent the attention we give to our human capital, thereby fostering a meritocratic working environment that is consistent with the work-life balance and reinforces the distinctive characteristics of individuals, their respective capabilities, experience and aspirations. In selecting employees and designing processes, careers and the relative remuneration and incentive policies, we ensure equal access to a position regardless of a person's gender or origins.

Fostering inclusion in all forms, from the organisation of work to the establishment of business processes, represents a “must” for us, precise and painstaking commitment.

We foster the **responsibilisation** of people by encouraging trust in them and a professional approach to reach objectives, in this way giving every illimiter the freedom and responsibility to organise their work on the basis of times and methods that enable them to achieve the results in accordance with their own personal needs.

The possibility for everyone to contribute to the realisation of an ambitious project makes it easy for illimiters to identify themselves and see their value in the results that the Group is achieving, whether the big or small ones. We organise our structures without silos or hierarchical barriers, thereby enabling managers and staff to come closer synergically and leveraging on everyone's contribution to achieve the Group's objectives, increasingly “tangible”.

We believe in the full realisation of **human rights** and **fundamental freedoms** as set out in the Universal Declaration of Human Rights approved in 1948 by the United Nations General Assembly and articulated for business in the Guiding Principles on Business and Human Rights.

We respect the dignity of people and their rights and We are committed to build and maintain an inclusive working environment that values uniqueness and plurality as both forms of mankind's development.

We direct our behaviours to avoid the encouragement or tolerance of any violation whatsoever of human rights.



We ensure compliance with European Union legislation on fundamental rights, pursuing the objective of:

- defend human rights in everything we do;
- respect the freedom of association and personal political involvement of our employees;
- ensure that every person working for illimity or acting on its behalf has independently chosen to do it and do it in a safe and healthy environment;
- aspire to greater solidarity on the basis of the recognition of cultural diversity, the awareness of the uniqueness of mankind and the development of inter-cultural exchange;
- avoid any discrimination, form of slavery or child labour, also if carried out by our stakeholders;
- ensure equal wages and compensation;
- comply with labour laws and foster sustainable working hours.

We strongly prevent and oppose all forms of discrimination and, differently, We respect the dignity of people. We forbid any kind of mobbing, compulsion, physical or psychological harassment or any approach that may cause discomfort or instil fear to others.



#### RELEVANT REGULATORY FRAMEWORK

- Authorisation Regulations
- Business Regulations
- Chart of Functions
- illimity Banking Group Regulations
- Report on the 2020 Remuneration Policy and Compensation Paid in 2019
- HR Procedure





04.

Resources



# RESOURCES

**The working environment is our safe ecosystem that we safeguard and constantly improve, so that it may reflect illimity's identity and values jointly with the people who are part of it.**

**We look after health and safety in the working environment and We are committed to fostering the adoption of responsible behaviour and the development of initiatives aimed at achieving an effective risk culture.**

## HOW

In line with EU Health & Safety legislation, we ensure a safe working environment for all workers.

We adopt all necessary measures to ensure that the design of the working environment corresponds to the specific features of the work and needs of people involved and our work-stations are equipped with all the necessary tools to facilitate work in total safety.

With a suitable frequency we plan review and controls on people working conditions and the effect of environmental factors on human relations, thus ensuring that the right balance is always achieved between collective protection's measures and individual protection's ones.

We assess all risks at source and undertake to reduce them at most by adopting the appropriate solutions available and fostering a constant improvement in our safety levels.

With the aim of preventing problems, we ensure that illimiters are provided with all the necessary instructions on the behaviours to be adopted in the workplace, also in emergency situations, highlighting those forms of behaviours to be avoided as potentially unlawful or risky. We provide clear methods of reporting issues encountered in the workplace and ensure that these are managed on a timely basis. We look after the preparation of the necessary documentation and the recording of the activities performed in the common workspaces, and using a constant monitoring process ensure that all the physical and digital systems guaranteeing the safety of the working environment are working properly.







**We safeguard the Group's assets and organisation and ensure that the available resources are put to suitable use**

## HOW

We protect and safeguard our tangible and intangible assets and we contribute to the safekeeping of corporate property, adopting the most suitable organisational and technical controls.

We place considerable emphasis on safeguarding our ICT assets and we are committed to ensuring that these are adequately protected from unlawful conduct and inappropriate uses.

We leverage on the potential and flexibility of the latest technologies on the market and We use the available business devices to perform in accordance with the policies adopted by the Group and the ethical principles in the use of Artificial Intelligence systems.

As illimiters we are committed to abiding by all internal rules on safety and on the use of ICT resources to ensure their proper functioning, integrity, confidentiality and availability.

We adopt specific rules to access the information system, based on the safekeeping and protection of personal credentials, in accordance with the privileges and limits of the individual authorisation profiles stated by the internal logical security management rules.

We protect documents and confidential work-papers, in any format, in compliance with our data classification rules and related management and security measures.

We repudiate any unlawful conduct designed to unlawfully reproduce and copy corporate software for personal use or for the acquisition of confidential material, as well as the use of corporate communication systems for the dissemination of inappropriate material or the sending of messages that may cause offence to the person involved and/or harm to the corporate image.

We ensure that confidential corporate information, including insider information, is properly managed on the basis of the most secure levels of classification and ensure that personal data processing regulations are fully ensured in all situations.



## RELEVANT REGULATORY FRAMEWORK

- Facility Management Procedure
- Health & Safety Procedure
- ICT Access Management Process
- ICT Security Policy
- Data Governance Standard
- Data Classification Policy
- Policy Artificial Intelligence (AI)



05.

Integrity



## INTEGRITY

**We always choose a sustainable business: we loan credit to companies and serve families, complying with the rules for being a bank and doing banking.**

### **We pursue the customer's interests**

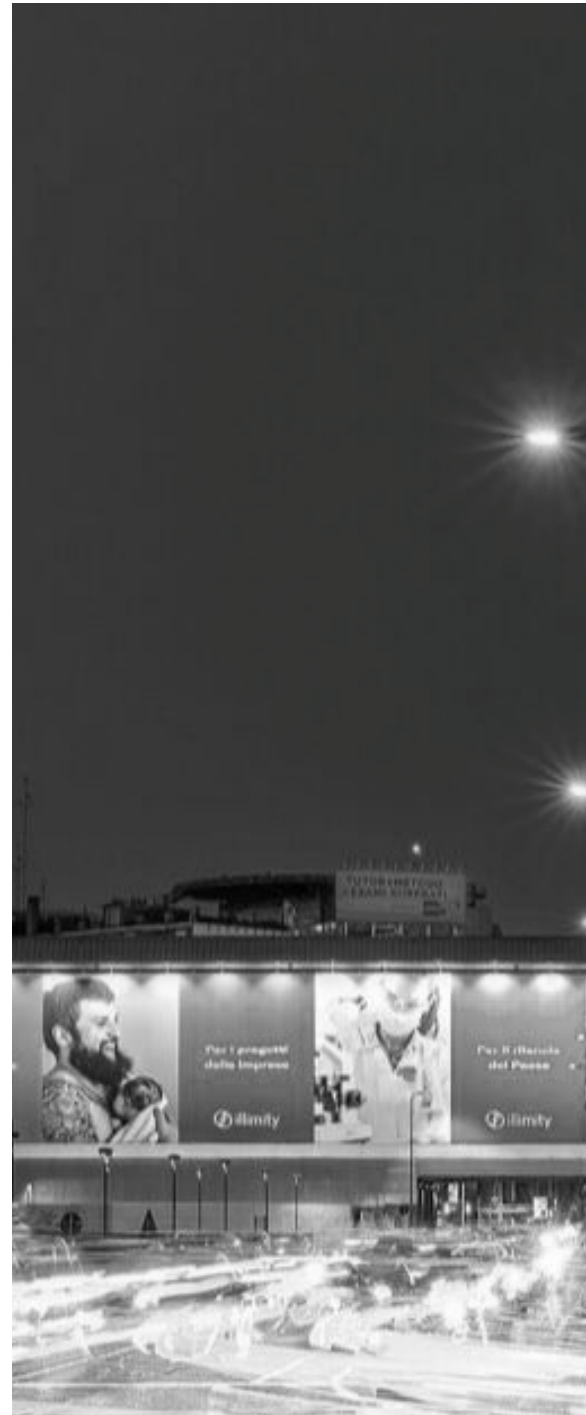
Loaning credit requires expertise and professional diligence, but also knowing people, families and business customers we support in their everyday lives and their work. Loaning credit means being organised in the best way possible for serving customers whose expectations, needs and aims are always the basis of our activities: from the structuring of financing to the selection of business partners and the preparation of tools and relationship staff.

To protect the interest of our customers, even if only potential, we first and foremost collect information about what they may need from time to time: liquidity management and savings planning, support in the expansion of their business or a recovery plan, tools for anticipating liquidity needs or the recovery of value that lies in a company's divisions or activities.

We then convert all that information into practical action: we listen to our customers and proactively inform them about the nature and characteristics of credit products and their respective costs, we respond promptly to requests or complaints and we collect new information in order to adapt financing in case new needs or objectives occur.

Lastly, we provide advice and propose transactions suited to the customer's financial profile, the risk that they are able to support and the objectives they pursue from time to time, especially in the long term, avoiding concluding transactions that may not coincide with their interests.

*An objective assessment of collateral guarantees on disbursed loans, from the preliminary stage to the monitoring phase, is inter alia ensured by specific independence requisites of an organisational nature and with respect to the credit-granting process, as well as by the need to use the services of skilled professionals, thereby avoiding an excess of reliance on one or more parties.*







## We maintain market integrity

As a company with listed shares we provide transparent, precise and complete corporate disclosures to the benefit of investors, analysts, supervisory authorities and, more generally, the market. We condemn any conduct designed to alter the accuracy and truthfulness of the data and information contained in the accounting records and in all the other communications required by law.

We have adopted systems and procedures for preventing the abuse of insider dealing, market manipulation and the performance of any unlawful transactions or behaviour that may seriously jeopardise the regular performance of negotiations and undermine investors' trust, even if relating to the bank's own propriety operations.

We do not use customer's confidential information to which we have access for assessing the opportunity of carrying out personal transactions, we perform analyses and provide a pre-clearance service on our employees every time a personal transaction may abstractly generate a conflict of interest.

*Price sensitive information, which if made public might reasonably affect the decisions of investors or potential investors in illimity's shares, is already identified and monitored at a preliminary stage by means of a specific "Information Monitoring Document", before it can assume the precise and detailed nature required for it to qualify as insider information.*

## We compete fairly

We comply with **antitrust** provisions, both national and European, and refrain from taking action or performing activities that may have distorting effects on **free market competition**. We believe that **respect for our competitors** represents a strength for the development of a fair market, in which confrontation with competing businesses can also be an **opportunity for improvement**.

We only gather information about our competitors from public or publicly-available sources. In relations with businesses, we are careful not to exchange sensitive commercial information with competitors or share strategies or positionings.

We do not enter agreements that may harm competition through price setting or by collusive activity sharing out or dividing up markets with the assignment of customers, suppliers, geographical areas or businesses.

We dissociate ourselves from any approach that aims to obtain illicit advantages or is contrary to the basic principles of the antitrust regulations.

*The information channelled through advertisements or with a promotional nature complies with specific standards of clarity, consistency and truthfulness. Even if the nature of these communications calls for essential and immediate messages, it is always important to perform a prior check of the contents and be able to intervene in time to prevent the risk of unfair commercial practices.*

## **We respect people's privacy and safeguard the confidential data in our possession**

Safeguarding the confidentiality of personal data is a principle which is laid down by the law and runs through the entire fabric of social relations, today more than ever. Even before this, in our view it is a principle of civility on which the trust in relations with the customers, employees, suppliers and partners who share these data with us is based. Which is why from our standpoint the confidential information of businesses is always a "question of privacy".

In the world of digitalised data, where it is possible to process previously unimaginable volumes of data to obtain accurate and highly-detailed information, including that of a predictive nature, we protect the knowledge this information makes available from unauthorised access and any kind of appropriation.

We prevent the risk of data leakage from the time we collect the data, only requesting that strictly necessary for performing our activities, permitting access only to authorised staff and storing data by means that are secure but also such as to enable the people to whom the data refer to gain access, to request any due rectifications or erasures and, more generally, to exercise their legitimate rights as data subjects at any time.

We always process personal data in the full respect of people's fundamental rights and freedoms, taking suitable precautions to ensure that the data we hold are not lost, destroyed or damaged in any way. For this reason we equip our processes, applications, systems and databases with technical and organisational devices designed to safeguard the data right from the planning stage, and hold personal and confidential data no longer than the time strictly necessary for processing and in accordance with the contractual obligations assumed towards business customers and counterparties.

*Marketing communications and customer profiling activities require the specific and separate consent of customers when these are individuals. This consent must never be conditional or requested by means of unclear formulations, it must always be "free and unambiguous". The customer is entitled to withdraw his/her consent at any time by way of a user-friendly procedure.*





### **We adopt suitable anti-corruption measures**

We are actively committed to fight any form of corruption, including that involving private parties. We ensure full collaboration with all authorities in the battle against corruption by creating suitable measures and controls carried out by independent functions.

We prevent the risk of corruption by forbidding our employees and collaborators to request, offer or accept cash payments if these are not provided by obligations contractually assumed by the bank.

We have introduced ad hoc measures for exchanges of donations and/or contributions with counterparties, suppliers and, more generally, third parties which may, depending on the situation and the means by which these are carried out, qualify as acts that are potentially corruptive. In more detail, we have approved an internal regulation governing the giving and receiving of gifts and entertainment, as well as the organisation of and participation at charitable and sponsorship events.

Anti-corruption measures are provided when hiring staff, when making purchases, in the management and sale of equity investments and other assets and in the purchase, management and sale of real estate assets to satisfy the bank's claims and/or those acquired as collateral for investments in deteriorated loans.

*"Gifts" may not be readily convertible into cash or such as to jeopardise the Group's reputation. They must always be received or given as part of normal business relations and in any case in situations that do not represent the search for favours or benefits that may compromise the independence of opinion or operational probity of staff.*



## **We prevent the risk of money laundering and the breach of embargoes and we combat terrorist financing**

We adopt the measures and procedures required to identify, prevent and adequately manage the risk of money laundering and terrorist financing, providing our continuous contribution to protecting the integrity of the financial system and civil society from crimes against persons.

We deploy Know Your Customer procedures and analyse all information to which a risk is connected, also with respect to parties that do not have continuous relations with the bank as trading partners, co-financers or co-investors.

We place special emphasis on monitoring the transactions of our customers and our counterparties, ensuring that the Bank is not used for unlawful activities which, in the most serious cases, could also lead to responsibilities of a criminal nature.

We provide our employees with appropriate training that enables to promptly identify and analyse any suspicious operation or transaction inside the Bank and if necessary report this to the competent authorities.

We comply with embargoes against countries, companies and individuals, ensuring that we are constantly updated in respect of any laws involving financial sanctions and any restrictions that may be imposed, and promptly assessing any effect of these restrictions on our daily business.

*Due diligence requirements on remote customers consist of “digitally” acquiring identification details and ensuring inter alia that these correspond to valid identity documents. Nevertheless, the specific operating procedures in the absence of the customer call for further checks to be performed, including those using technological, innovative and reliable solutions based on forms of biometric recognition.*



## We identify conflicts of interest and adopt appropriate and proportionate measures to manage them

We prevent the occurrence of conflicts of interest that may harm the interests of our stakeholders and monitor every situation that may cause a conflict, always seeking to work objectively and with an awareness of the various interests at stake.

In respect of the principles of prevention and monitoring, we establish clear rules so that any potential conflicts of interest can be promptly identified and analysed, with the aim of adopting proportionate, appropriate and compliant measures for managing any potential conflict deriving from organisational choices, the conclusion of operations, the provision of services and products and from the relations between Group companies.

In managing identified conflicts that are considered material, we always select measures commensurate with the negative effects that conflicts could have on the interests to be protected, only informing the counterparties of the existence of a conflict when it is impossible to be reasonably certain that those effects have been fully eliminated.

We adopt uniform procedures and guidelines at Group level in order to govern the “operations in conflict of interest” for which the regulator has called for strengthened levels of authorisation, considering for this purpose any transaction that a Group company may carry out with related parties or associated persons.

*An assessment of the materiality of conflicts of interest does not always assume that these conflict with or are opposed to the interests to be safeguarded, such as those of the Group’s customers or its companies. When a situation is considered in conflict, even if only potential, it is always appropriate to perform an initial “conflict check” in accordance with the Group’s Conflict Policy rules.*



### RELEVANT REGULATORY FRAMEWORK

- Privacy Policy
- Anti-corruption Policy
- Money Laundering Policy
- Policy for the Transparency of Banking and Financial Services and Transactions – Propriety of Customer Relations
- Personal Transactions Procedure
- Insider Information Management Procedure
- Internal Dealing Procedure
- Policy for Transactions with Parties related to the Group
- Policy for Managing Conflicts of Interest
- Policy for the Internal System of Reporting Violations





06.

Action



## ACTION

illimity Way is applicable to the illimity Bank Group, namely all companies which under the management and coordination of the Holding illimity Bank S.p.A. with reference to the activity performed by each individual company. Insofar as it prevents the commission of relevant offences, it constitutes an integral part of the Organisation, Management and Control Models defined pursuant to Legislative Decree 231/01 of the Group's companies, which are therefore required to adapt, where necessary, their internal regulations to comply with the principles and contents of illimity Way.

The document has been approved by the Bank's Board of Directors and sent to the corporate bodies of all subsidiaries for its formal adoption and inclusion in the relative internal regulations. All recipients, inside and outside the Group, may consult the updated version of the document on the Bank's website and corporate intranet.

A copy of illimity Way is in any case sent to each director, employee and external collaborator when appointed or hired or at the start of the collaboration relationship respectively.

More specifically, an acknowledgement of illimity Way is requested in the case of contractual relationships with third parties, so that they may be informed on a timely basis of the commitments and obligations underlying the relationship or partnership with the Group. In no case relationships are established or continued with parties that refuse to comply with the principles set out in the document or that behave in a manner which does not comply with these ones.

On a regular basis, specific initiatives are organised to provide training and information designed to increase awareness on the contents of illimity Way at all corporate levels.

In addition, periodic reviews are carried out in order to monitor the level of implementation and respect of the provisions of the document, taking into account the evolution of the Group, its organic growth and changes in its organisational and operational structure, as well as any possible violations registered during the execution of the control procedures aimed at verifying the compliance with internal and external laws and regulations.

Any behaviour that, even only potentially, may contrast with the provisions of illimity Way is punished in line with the internal procedures and can be reported by any employees as well as external collaborators that become aware of it, through the available whistleblowing channels. Anyone forwarding these reports is safeguarded from any type of reprisal or accusation leading to discrimination or penalisation.