

**Management Policy**  
**A-Tone Group**  
**Human Resources**

January 2022

## **Introduction**

Sector regulations require the Boards of Directors to approve, as part of their general organizational principles, **human resources management policies** to ensure that staff have the necessary skills and professionalism to perform the responsibilities assigned to them.

The A-Tono Group's Human Resources Management Policy outlines its **fundamental principles** and is closely **coordinated with other policies and codes** that have an impact on personnel management, most notably the **Code of Ethics and Conduct**.

Any changes resulting from organizational changes, updates to the relevant legislation and/or internal regulations are made, upon proposal by Group HR. Group companies adopt this Policy in their own regulations.

## **1 - General principles of corporate policy**

People are the **fundamental asset**, as well as the indispensable prerequisite, for the **competitiveness** of the A - T o n o Group, which is why the A-Tono Group's Human Resources Management Policy is based on a number of indispensable general principles.

### **1.1 - Sustainability**

Growth and sustainability are hallmarks of the A-Tono Group and are an integral and fundamental part of defining its strategies. The Group's Human Resources Management Policies also enhance and protect reputation, credibility and consensus over time, prerequisites for business development aimed at creating and protecting value for all stakeholders.

They are aimed at seeking the generation of long-term sustainable value through:

- predetermined governance mechanisms involving a plurality of bodies, organizational units and actors to guarantee structured processes, controlled and verifiable ex post.
- selection, management, evaluation and training processes that put the person, the Group's true asset, at the center;
- responsible, fair and transparent remuneration mechanisms.
- predetermined succession plans for top resources to ensure long-term sustainability.

### **1.2 - Human Rights**

The A-Tono Group believes that **respect for human rights** is a prerequisite for its sustainability. That is why it protects and promotes these rights in the conduct of its business including in its relations with its resources.

**Respect for the personality and dignity** of each collaborator is fundamental to the development of a working environment inspired by **mutual trust and loyalty**, in compliance with the legal obligations in force in each geographical context and sphere of activity in which it operates.

### **1.3 - Ethics and Integrity**

The A-Tono Group promotes an **ethical culture** based on the values of **fairness, professionalism, customer protection and responsibility**. Adhering to these values means honoring the trust placed in the Group and preserving its excellence.

Specifically, personnel, in performing their work, must **behave in** a manner **consistent with the duties** associated with the tasks and activities entrusted to them and strongly **oriented towards ethics and integrity**. Each employee is required to maintain a conduct that does not conflict with the duties associated with his/her inclusion in the company organization.

All behavior, even if not expressly covered by the Code of Ethics and Conduct, must be inspired by criteria of **legality, transparency, common sense and personal ethics**, consistently with the corporate values, guiding principles and procedures and with the awareness of not exposing the A-Tono Group to **regulatory and reputational risks**.

#### **1.4 - Dignity and Freedom**

The A-Tono Group is committed to preventing any undesirable behavior, expressed in physical, verbal or non-verbal form, having the purpose or effect of violating the **dignity** and **freedom** of a worker and creating an intimidating, hostile, degrading, humiliating or offensive climate. In order to avoid, report and censure inappropriate behavior, specific internal rules have been defined.

The A-Tono Group **rejects any kind of physical, verbal, sexual or psychological harassment, abuse, threats or intimidation** in the workplace, thereby guaranteeing **respectful and favorable working conditions**.

#### **1.5 - Meritocracy**

The A-Tono Group **values its personnel on a meritocratic basis**, develops their professional skills according to the principle of equal opportunities and in line with its strategic choices, organizational and production requirements, taking into account the training needs of employees.

Professional development is also achieved through appropriate training, practical work experience guided by managers, possible mobility to different positions, performance appraisal, and the process of career advancement and promotion.

#### **1.6 - Diligence**

The **Code of Ethics and Conduct** defines the fundamental principles underpinning the **reputation** of the A-Tono Group and the values that inspire its day-to-day **operations**, also describing the **standard of conduct** required of all employees and collaborators.

The relationship **of trust**, which is the foundation of the employment relationship, is linked to the duty of **diligence** and **compliance**, in form and substance, with all **internal regulations** as formalized and approved by the competent corporate bodies or internal offices.

Failure to comply with the rules may lead to the **sanctions provided for in the internal disciplinary code**: they are applied on the basis of the principles of **relevance** and **proportionality**.

#### **1.7 - Equality and Inclusion**

The A-Tono Group considers **diversity of gender and thought** an element to be valued as a source of cultural and professional enrichment. The Group believes in the importance of valuing different perspectives and experiences through an **inclusive culture**, in which diversity and personal and cultural perspectives are respected and considered a key success factor.

**No distinction** can be made with specific reference to the following areas: access to employment, assignment of tasks and qualifications, transfers, disciplinary measures, promotion and professional training including professional and career progression, working conditions including pay, supplementary pension schemes, benefits.

The A-Tono Group guarantees that **all its employees are treated without any distinction, exclusion, restriction or preference**, direct or indirect, based on: age, gender, sexual orientation, marital status, religion, language, ethnic or national origins, physical or mental disability, maternity or paternity status, including adoptive,

personal convictions, political opinions, trade union affiliation or activity.

The A-Tono Group is committed to working to ensure **gender balance at all levels of the company**, focusing in particular on management and senior positions that are most affected by the gender gap.

The A-Tono Group also safeguards **the right and freedom of association and collective bargaining**. The industry's National Collective Bargaining Agreement covers all employees in Italy and defines the minimum period of discussion with trade unions for the implementation of major organizational changes.

### **1.8 - Health and Safety**

The A-Tono Group **guarantees** high standards of **health and safety at work**, raising awareness of risks and promoting **responsible behavior**, including through **information and training** activities.

**Health protection and psycho-physical well-being** are recognized by adopting **specific prevention and protection programs**, making all company levels responsible.

### **1.9 - Confidentiality**

Each employee must maintain the **strictest confidentiality** with regard to the A-Tono Group's business and customer information.

### **1.10 - Privacy Statement**

**All information** concerning employees is **processed**, in compliance with legal provisions and confidentiality obligations, in such a **way as** to ensure access only to those directly concerned and authorized persons.

## 2 - Roles and responsibilities in A-Tone

### 2.1 - Board of Directors

The Board of Directors, upon the proposal of the Managing Director, **grants the corporate signature**, i.e. the power of attorney granting the authority to represent A-Tono.

Company signatures are assigned only to personnel who, due to their specific organizational role, require them on a continuous basis for the performance of their duties or are placed in offices where the conferral of a company signature supports/completes the operations performed.

### 2.2 - Managing Director

Pursuant to the Board resolution on operational delegations, he is **in charge of personnel management** and, in consultation with the General Manager, appoints management personnel. He also oversees the general **adequacy of the organizational, administrative and accounting structure**. He submits proposals for remuneration policies to the corporate bodies.

The Chief Executive Officer is also vested, with the right to sub-delegate, with the powers to determine staff remuneration and retirement levels, in compliance with the policies resolved by the Board of Directors and obviously without prejudice to the Board's exclusive competences, as well as the definition of supplementary company agreements with staff representatives.

### 2.3 - General Manager

The General Manager assists the Managing Director in accordance with board resolutions and regulations.

### 2.4 - Group HR

Group HR aims to strengthen the governance of Human Resources at Group level and ensure the effectiveness/efficiency of the organizational set-up. It also oversees the compliance of business processes with regulatory/legislative requirements, through the definition and implementation of best practices and guidelines.

Group HR:

- co-ordinates the selection, training, evaluation and development activities of human resources carried out by the Companies of the Group;
- collaborates with hierarchical managers in the mapping and evaluation of managerial competences and skills, jointly defining career paths more suitable for each profile. It defines common personnel evaluation methodologies (Performance Evaluation) for certain professional figures and families within the Group;
- defines and keeps up-to-date the main HR Group regulations defines reward systems and monitors their implementation;
- prepares the labor cost budget, takes care of administrative activities related to the employment relationship, including the payment of emoluments;
- ensures the governance and evolution of the Group's human resources management information systems;
- coordinates the management of labor relations.



the world  
in your hand

Group HR provides **subsidiaries, through their human resources functions**, with guidelines on all human resources aspects to ensure

homogeneity of approach through appropriate processes that can enhance resources and retain talent, increasing the sense of belonging to the Group.



### **3 - Internal human resources management procedures**

**Personnel management** is generally governed by **internal regulations** that regulate the many **activities** and business **processes** relating to human resources, with the associated **information flows**.

In general, they **contribute to the professional enhancement** of resources by grafting on their personal characteristics:

- the **quality of the skills** acquired and the **performance over time expressed**, any previous employment outside the company;
- the **internal path** guided by their managers, learning 'in the field', professional and managerial training;
- the **mastery** of role, the **aptitudes** e the **potentialities** of the individual duly assessed;
- **compliance with the rules of conduct** defined by the Group to ensure conduct in line with industry standards and practices, in order to serve the best interests of customers.

#### **4 - Personnel Selection**

The selection process is based on the **approval of** a resource insertion plan consistent with the **annual budget** within the horizon of the Strategic Plan, the **definition of the profiles being sought**, the conducting of a **plurality of interviews** by both the human resources function and the heads of the organizational units involved in recruitment and, for more specific roles, also by the CEO and/or General Manager.

The Policies for the Selection, Appointment, Succession and Assessment of Suitability of Corporate Officers and Key Function Holders provide specific suitability requirements and procedures for senior management and managers in charge of control functions.

Each selection process encourages **the candidature of all individuals with the required qualifications and/or professional experience and is carried out exclusively on the basis of merit**. The same principle underlies the assessment of opportunities that may arise within each individual company (transfers between organizational units) or within the Group (intra-Group transfers).

The **selection** is based on the evaluation of the **knowledge acquired during the training period, of the professional and technical skills that may already have been developed** and highlighted by the CV and the company's track record. Basic, cognitive, relational and realization skills are assessed, as well as for more junior figures the potential that emerged in the selection process. For more senior figures, **key leadership skills** are assessed, including: **vision** and **strategic thinking** with regard to the business and/or activities overseen, all associated risks, and the implementation of decisions taken; **results and customer orientation**, adapting reference processes; **managerial** and **organizational skills** to enhance collaborators and teamwork, optimize talent, value diversity, identify opportunities for change, and cultivate leadership, authority and credibility.

The human resources function takes care to verify that the professional profile sought is **free of any discriminatory element**. It also ensures that any processes of the selected external selection companies comply with the principles of **non-discrimination and inclusion**. Gender balance is maintained in the collection and screening of CVs. (equal percentage of applications evaluated and submitted), based on the actual availability of the profiles in the labour market, with a willingness, where appropriate, to give preference to the gender less represented in the organizational unit of placement, given equal qualifications and professional experience. During the interviews, it is ensured that no questions are put to the candidate that could be a source of discrimination. The objective of **gender pay equity** shall be pursued in the definition of the economic offer.

The A-Tono Group constantly collaborates with the best Italian universities, through participation in **on-campus selection and employer branding activities**, and periodically organizes events within its own premises, offering students and young graduates various opportunities to meet with the managers of the Groups companies. Young talents are thus given the opportunity to meet directly with professionals in the sector, in order to receive guidance and support regarding educational and professional choices. In order to promote the development of female talent, the Group interacts with university associations to contribute to the spread of an inclusive culture also in the financial sector. The Group also guarantees students the opportunity to undertake curricular internships aimed at the completion of their academic career, possibly also providing them with the opportunity to use the training experience for their thesis project.

Under no circumstances may recruitment constitute opportunities for possible exchanges of favors with persons belonging to the Public Administration. It is forbidden to hire former employees of the Public Administration who have personally and actively participated in business negotiations with the companies of the Group held in the previous two years.

Even vis-à-vis customers, suppliers, and counterparts in general, offers of employment and apprenticeships may be regarded as a valuable benefit and constitute corrupt acts, so internal processes are structured in such a way that such offers do not constitute forms of unduly obtaining or retaining an economic advantage.

The A-Tono Group therefore requires that **each recruitment decision** involves several actors and **is made jointly** by the relevant human resources function and the heads of the offices concerned with the recruitment itself.

## 5 - Resource management and inclusion

The A-Tono Group pays special attention to the issue of talent management and retention, considering it a strategic factor for its development.

The Group complies with legal obligations to include **differently-abled** persons, in accordance with current legislation, and undertakes to encourage the various company departments to integrate these resources. The inclusion of differently-abled resources is ensured by constant attention to providing working tools and an environment suited to their needs, and to guaranteeing their participation in training and social initiatives with the necessary support.

The Group positively assesses the value of resources that have been working in the company for more time and with a **high professional age**: constant attention is paid to updating, managerial training and involvement in projects, including those with a greater innovation component. Their professionalism enriched by experience is a factor of growth and enrichment, especially for the resources that have more recently entered the world of work with whom they come into contact.

Progressive internationalization exposes the Group to the opportunity to meet talents and include resources from **different nationalities, cultures and religious traditions**: everyone is guaranteed a positive working environment and respect for their rights.

The Group is committed to promoting possible future initiatives for inclusion and attention to new needs that may emerge.

By listening to the needs arising in the company, the Group promotes **work-life balance** with solutions to reconcile employees' private and professional lives, within the framework of legal, contractual and negotiated provisions. The A-Tono Group offers various solutions, differentiated in the different companies of the Group, which aim to reconcile employees' private and professional lives. In particular:

- **part time**: based on the professional role held, giving priority to those in problematic family and personal situations. The provision of work to part-time does not in any way constitute discrimination in employment and professional development;
- **smart-working**: flexible forms of remote working;
- **hourly flexibility**: this is available to most employees with ordinary working hours;
- **Paid and unpaid leave**: in addition to the provisions of current legislation and the CCNL concerning absences and periods of leave, additional leave for cases of childcare, child placement in daycare and/or kindergarten;

## 6 - Assessment of resources

With a view to **enhancing the development** of the professional skills of the resources, at the beginning of each financial year the managers **assign and discuss with each resource the objectives** (professional, managerial, personal and corporate development) on the basis of the professional profile, organizational role, strategic objectives of the unit to which they belong. These objectives are weighted according to the priorities assigned to each resource and are clearly established in terms of results, measurable where possible, at the same time attainable but challenging, possibly delimited in terms of time.

**Interim feedback during the year** allows managers and individual resources to share the degree to which objectives have been achieved. The employee is encouraged to ask for clarification and the manager is called upon to give **continuous feedback** in any case to allow team members to become aware of the expected performance and to ensure that each resource has the right skills to achieve its objectives.

At the **end of the financial year**, managers carry out the evaluation in a moment of objective comparison of performance, thus ensuring that the organization and each resource verifies the objectives in accordance with the company values, giving transparency to training opportunities, professional development and individual evaluation criteria.

For resources **belonging to business units**, the evaluation reflects:

- the **results achieved**, such as the achievement or non-achievement of budget and improvement targets compared to the previous year, with regard to the risk/return and cost/income;
- **qualitative criteria**, such as the development of the product offering, professional correctness and reliability, quality of customer relations, capabilities technical and analytical, cost control, emphasis on the pursuit of management efficiency and collaboration with other Group structures, reputational and compliance issues and adherence to the Institute's values.

For the other units, the main evaluation elements are a function of qualitative objectives and a broader evaluation concerning regulatory compliance, cost containment, and efficient resource management. In particular:

- for the resources of the accounting/management control areas, the correct
- fulfilment of all compulsory requirements, those relating to supervision and of financial information to the markets, the supervision in terms of efficiency and correctness of all accounting processes, related IT procedures and tax compliance.
- for the staff of the Control Functions, i.e., Group Audit, Compliance & Group AML, Risk Management, the constant monitoring and control of the processes and operations of the bank in an independent and autonomous manner for the prevention of risk situations and for the timely detection of anomalous conduct or events, the ongoing assessment of compliance with regulations through adequate audit plans, updating of internal procedures and guidelines, training supervision of internal structures, the proper development of models, methodologies and metrics for measuring market, credit and operational risks with adequate production of reports for their monitoring, as well as a precise analysis of new products with their risk profiles.

Particular attention is given to proper individual conduct in compliance with the **Code of Ethics and Conduct**, the **Organizational Model**, the

**Anti-Bribery and Anti-Corruption and**, in general, the provisions of laws, regulations, operating rules and internal procedures, with particular reference to those most relevant to reputational risk. A Group Directive defines the rules for identifying and assessing cases of so-called compliance breaches, i.e. breaches identified by control functions or authorities that have exposed the Bank to a significant risk of non-compliance (breaches of regulations that give rise to or are likely to give rise to criminal or administrative liability for offences and those specific to the banking and financial sector).

In addition, the objectives encourage individual conduct aimed at fostering a working environment in which **diversity** is valued, personal and professional growth respected, according to principles of meritocracy.

Legislation, employment contracts, and, where appropriate, individual contracts may regulate the manner of handling negative evaluations, corrective action to restore satisfactory work performance, as well as any impact on career advancement and the variable remuneration that may not be paid in the event of an objective, tracked and formalized negative evaluation.

## **7 - Career advancement process**

In close connection with the assessment process, staff members may be subject to being **transferred to a new contractual level or assigned a new corporate title**, as part of the career advancement process linked to filling new organizational roles on the basis of experience acquired and results achieved. Gender balance is also pursued in professional growth, guaranteeing equal access to roles of responsibility and/or managerial content, also with the aim of bridging any gaps in gender representation that may exist in organizational units between resources with greater seniority, with equal skills, qualifications, and capabilities.

For **higher professional levels** (managerial or equivalent), the process provides for a specific assessment of the candidate also by other **senior resources of the company and/or the Group**, with different professional backgrounds, experiences and roles.

The promotion process envisages the proposal phase coming from the **head of the relevant unit**, the subsequent sharing with the **relevant human resources function** and the final approval with the involvement of the **General Manager and/or the Managing Director** (for managerial staff).

## **8 - Staff remuneration and incentive policy**

The A-Tono Group's 'Personnel Remuneration and Incentive Policy', approved annually by the Shareholders' Meeting, includes the **objective of attracting and retaining resources** possessing high professionalism and correctness, adequate to the complexity, growing internationalization and specialization of business, in a logic of prudent management and sustainability of costs and results over time.

The Group pays particular attention to the management of remuneration policies, with constant attention to compliance with the regulations issued by the regulators, with regard to the structuring of remuneration packages and the methods and instruments of disbursement of its various components.

**Responsible, fair and transparent** remuneration mechanisms enhance and protect reputation, credibility and consensus over time, prerequisites for sustainable business development aimed **at creating and protecting value for all stakeholders**.

The staff remuneration structure is based on different components with the aim of: **balancing** the shares of fixed and variable remuneration over time (**pay mix**); implementing a **flexible approach** to remuneration; encouraging **performance orientation** according to the company's role **without inducing risky, short-term oriented behavior**.

The adequacy of the remuneration packages is assessed annually through the analysis of the positioning with respect to the reference market, also with the help of specialized consultants.

The Group ensures that all its employees are treated **without distinction or exclusion**, including in terms of remuneration, supplementary pension schemes and benefits.

In the path of professional growth and merit-related remuneration, the Group is committed to offering a **fair level of remuneration** that reflects the skills, abilities and professional experience of each employee, thus ensuring the application of the principle of **equal opportunities**, with the aim of pursuing salary equity by monitoring any gaps. The ratio of base salary to total women's/men's remuneration is constantly monitored and action is taken to diminish any discrepancies detected.

Aware that **corporate welfare** contributes to the implementation of corporate social responsibility, the Group adopts instruments that produce positive externalities, benefiting not only employees but also their families and, more generally, the territory. It creates value shared with a wide range of stakeholders, contributing to producing collective benefits over time.

With this in mind and in line with the market, the remuneration package is therefore complemented by numerous benefits that manifest the constant attention that the A-Tono Group pays to the personal needs and well-being of its employees, including those in retirement. The benefits are intended for the Group's entire workforce and can be differentiated by professional families and geographical areas, but do not provide for individual discretionary schemes.



## **9 - Training interventions**

In the light of the growing internationalization of the Group's business, technological evolution, as well as innovation in products, banking services and the continuous modification of sector regulations, the A-Tono Group recognizes **the relevance and centrality of the training and professional updating** of its resources, fundamental elements in the process of enhancing the value of its people.

The Group prepares the **compulsory training** plan, which is designed to allow staff to be constantly updated on the topics covered by the regulations. The Group also promotes **professional and managerial training** courses in an ongoing and structured manner, taking into account the various professional contributions. At the same time, it promotes solutions based on **the use of technology** with initiatives appropriate to the levels of preparation and experience required by the various roles.

Among the measures taken into consideration to broaden the professional content and develop the growth of the technical and managerial skills of resources is also the possibility of **temporary**, short or long-term **experience** in other organizational units of the same company or within the Group.

Forms of internal mobility take on particular importance, as also required by the supervisory authorities, in the management of resources belonging to the control functions: this growth management mode is explicitly envisaged for them, compatibly with internal organizational needs.

The training initiatives can be **differentiated according to the role held**, the evaluation of those who need to develop their skills to a more advanced degree, as well as of those for whom, due to requirements linked to possible interventions in the organizational structure, the acquisition of new knowledge needs to be fostered.

Participation in individual initiatives is normally agreed between the manager, the person concerned and the relevant human resources function, within the limits established between the parties and within the annual budget established by each company of the A-Tono Group for training activities and managed by the human resources function itself.

The Group also promotes the practical involvement **of** its resources through a **volunteer program** to cultivate talent, passion and commitment, including them in the various environmental and social initiatives supported by the Group.

The combination of these tools makes it possible to implement paths of **integral valorization of people**, the Group's fundamental asset, as well as an indispensable prerequisite for its competitiveness and contributes to the achievement of sustainable performance in the long term.

## **10 - Internal communication and engagement**

The Group recognizes the importance of internal corporate communication as a tool for sharing institutional information and a motivational vehicle for personnel. Internal communication pursues the objectives of:

- create a communication model and style aimed at generating a constant flow of information for employees.
- improve sharing between people and a sense of teamwork.
- facilitate the understanding of the strategies adopted by the Group.
- disseminate the identity and values of the Group.

Employee engagement, involvement and satisfaction are periodically monitored through specific initiatives.

Informative and operational digital communication tools are put in place that are useful and usable and can convey clear and up-to-date information.

Sharing activities are promoted such as meetings and events outside work, relational activities aimed at increasing opportunities for exchange among colleagues, corporate volunteering.

## **11 - Staff health, safety and welfare**

The Group considers **the health and safety of workers a priority in the way it operates.**

For this reason, it is committed to achieving, maintaining, and complying with the requirements for the protection of workers and the healthiness of the working environment defined by the specific regulations applicable in the countries where it is present, with an approach aimed at continuous improvement.

To this end, **the Group implements an effective safety management system**, with the role of reference and coordination for the figures envisaged by the regulations (such as the Prevention and Protection Service Manager, Company Doctor, etc.). It contributes to the identification and assessment of company risks, with the aim of mitigating and eliminating them wherever possible.

The Group constantly regulates and monitors the supporting activities, disseminates the principles governing regulatory obligations also through specific training courses, standardises the ways of involving all employees according to their role and the activities they perform, organises company health surveillance through the appointed external structures.