

5.

Ifis People



Our people are the essential driver of our business. We promote the value, development, training, inclusion and well-being of all employees.

Ifis People reflects the fact that we are a Bank made up of people constructing solid, authentic relationships, within and without. We believe in the optimisation, training, growth, inclusion and well-being of all employees and promote them decisively. Through initiatives such as the Ifis Talent inclusive platform, we seek to improve recruitment, management, growth and managerial development processes, constructing paths that are in line with the needs and competences of our #Ifispeople.

Support to employees in the COVID-19 health emergency

Against the **backdrop of the COVID-19 emergency**, which also characterised FY 2021, the Group confirmed its primary interest in protecting the health and safety of employees and their families by maintaining all the initiatives and measures already introduced in 2020, without any interruption of its activities. **Banca Ifis has confirmed its commitment to protecting the health of its employees** and has taken constant action to incorporate the legislator's interventions, as well as to implement suitable corporate measures, potentially even stricter than those envisaged. In fact, during 2021, smart working was adopted on an "emergency" basis, with an average presence at all the Group's corporate offices of around 13%. Below are the main initiatives introduced during the previous year that have been confirmed for 2021 to support the Group's staff:

| INTERVENTION TYPE | DESCRIPTION |
|--|---|
| Emergency governance | <ul style="list-style-type: none"> Establishment of a Crisis Committee for the rapid, responsible taking of decisions/implementation of measures regarding the safeguarding of colleagues and workplaces, in compliance with the decrees and indications of the ministries, the WHO and the ABI. Having kept work on site to minimal levels, no critical issues arose that required the Committee's intervention. Launch of the sharing procedure of the update of the "Group Business Continuity Management Policy", which defines the principles, objectives and strategy on Business Continuity adopted by the Group and regulates the process for Business Continuity management by the Parent Company and its subsidiaries. Confirmation of the "COVID-19 Regulation Protocol", an integral part of the Risk Assessment Documents of all offices, which identifies the protection measures and intervention plans to increase the effectiveness in the workplace of the containment measures adopted by the Government to combat the COVID-19 epidemic. |
| Activation of remote working procedures and analysis of the internal sentiment | <ul style="list-style-type: none"> Maintenance of remote work, with an average presence in the company of 13% of the staff (with a peak presence of 350 employees with reference to all the Group Companies). Use of integrated collaboration tools that combine voice, video and data (Unified Communication as a Services - UCAAS) ensuring business continuity. In order to encourage and facilitate a better work-life balance, the Bank is adopting a new work organisation that aims to provide, among other forms of flexibility, a more structural approach to smart working. |
| Protection of the health of employees and families | <ul style="list-style-type: none"> Extension, for all employees, of the extension of health insurance coverage to include COVID-19. Activation of conventions with a leading medical network for privately having additional blood tests and molecular swabs, at special rates. Reimbursement of flu vaccine costs; Activation of the Health Cloud project, as a prevention campaign to protect the health of employees. Promotion of the monthly column "Ifis PreveniAmo", a series of digital appointments on health and prevention in which professors and medical specialists make employees aware of issues related to prevention in the medical field. |
| Continuity of professional growth and training | <ul style="list-style-type: none"> Continuation of the Ifis Smart Way project through the provision of: webinars aimed at all employees on the subject of relations, communication and resource management. Redesign of training activities in order to deliver them primarily on-line. |

Following the provisions contained in Decree Law no. 127 of 21 September 2021 "Urgent measures to ensure the safe performance of public and private work through the extension of the scope of application of the COVID-19 green certification and the strengthening of the screening system" the Bank, as of 15 October 2021, introduced the Green Pass, or alternatively the certification of exemption from the vaccination campaign, as a necessary condition for access to workplaces. This provision was applied to all Group companies based in Italy and concerned: employees, including all employees of foreign companies who had to travel to Italian offices for work reasons; suppliers; and persons who carry out work or training in the workplace for any reason, including self-employed workers and non-employee collaborators.

5.1 Employee well-being

Policies and other reference documentation

- Code of Ethics
- Group employee management policy
- Integrated Safety and Environment Manual
- Risk assessment document (DVR)
- Smart working - Agile working internal guidelines
- Banca Ifis employee loans regulation
- Group Business Continuity Policy

Promoting the **physical and psychological well-being of employees, workplace health and comfort, occupational welfare** policies and schemes, work flexibility, and **work-life balance** - these are just some of the issues that may positively contribute to employee well-being as well as to improving the organisation's efficiency, for instance in terms of reduced turnover, increased productivity, and fewer workplace injuries.

Occupational health and safety

[GRI 403-1]

Through the **Safety Policy**, the Banca Ifis Group sets out and communicates the fundamental principles and criteria that guide decisions on occupational health and safety.

The **Integrated Safety and Environment Manual**, an integral part of the Organisation and Management Model in accordance with Italian Legislative Decree no. 231/01, has been prepared as required by Italian Legislative Decree no. 81/08 as subsequently amended and supplemented and adopted by the Board of Directors of all Group Companies²³, in order to protect and guarantee its effective exemption from the predicate offences on matters of safety and the environment, defined by Italian Legislative Decree no. 231/01. The Integrated Manual is structured to guarantee compliance with health of all workers and the safety of all workplaces, all workers and all business of the Banca Ifis Group, guaranteeing monitoring and control, with a view to assuring continuous improvement.

[GRI 403-8]

The procedures contained in the Integrated Manual form an **internal management system overseeing health and safety**, which covers 1.819 employees, like in 2020 making for 98% (insofar as the foreign employees subject to different legislation, are excluded) and 69 non-employed workers (100%).

Responsibility for health and safety lies with the Head of the Prevention and Protection Service (RSPP, "Responsabile Servizio Prevenzione e Protezione"), the Prevention and Protection Service Officer (ASPP, "Addetto al Servizio di Prevenzione e Protezione"), and the Human Resources and General Services functions, as delegated by the Employer, each within the scope of their responsibilities. Specifically, General Services organises and supervises operations as well as manages facilities and equipment at the Group's headquarters and commercial offices concerning health and safety.

Ultimate responsibility for identifying and managing measures to protect employee health and safety lies with the Employer.

²³ With the exclusion of foreign companies as they are subject to different regulations.

Worker participation in matters of health and safety

[GRI 403-4]

In order to guarantee worker participation in matters of health and safety, the Banca Ifis Group has implemented a procedure in the Integrated Manual that defines the manner by which to correctly consult with the Workers' Safety Representatives (RLS, "Rappresentanti dei Lavoratori per la Sicurezza"), where present, in particular for:

- participation in the risk assessment process;
- consultation in the event of substantial changes under the scope of a variation of appointed physicians, or in risk assessment; attendance of the regular meeting Italian Legislative Decree no. 81/08, Art. 35) as an important element of the safety management process;
- possibility of requesting an extraordinary meeting.

In addition, a works council has been established for the application and verification of the COVID-19 protocol rules with the participation of the trade union representatives (RSA, "rappresentanze sindacali aziendali") and the Workers' Safety Representatives (RLS, "Rappresentanti dei Lavoratori per la Sicurezza").

[GRI 403-2]

All the organisational processes and workplaces are analysed to identify possible dangers to safety and thus to define the mitigating measures and establish intervention priorities. The result of this analysis is the **assessment of all risks**, a process adopted by all Group companies.

In order to suitably **monitor and oversee** the risks identified and the correct application of the mitigation procedures identified in the Integrated Manual, a **hierarchy of controls** is applied, which is based on three levels and is made up of trained, competent figures on matters of health and safety, respectively by the officers, the Prevention and Protection Service and a third party audit. In addition, the Internal Audit function carries out spot checks to verify compliance with the procedures of the Integrated Manual. Periodically, the Prevention and Protection Service provides information flows to the Supervisory Body, reporting on the health and safety activities implemented. Any non-conformities or prescriptions are handled through analysis and the adoption of improvement measures.

The Integrated Safety and Environment Manual contains, in its procedures, all formal instruments necessary for any workers to make **reports** to the Prevention and Protection Service of any potentially damaging situations or dangerous behaviour. As of 2021, a subsection dedicated to reports, requests for support and assistance in the area of "Health, Safety and Environment" is available in the Service desk application on the corporate intranet. Tools such as reporting through e-mail correspondence and telephone contact are in place. The Group also offers workers an anonymous whistleblowing services by which to report potential offences.

[GRI 403-3]

Occupational medicine and health surveillance are outsourced to a national network of appointed physicians, coordinated by a coordinating doctor.

The medicine service **collaborates** with the Employer and the Prevention and Protection Service to **identify and assess all risks** and once a year carries out **site inspections** at the workplaces to verify compliance with health and safety measures. It is also up to the appointed physician to plan and carry out health surveillance, preparing, updating and keeping custody of, at his own responsibility, the medical records and risk factors of each and every worker.

[GRI 403-6]

In addition to be subjected to the periodic health checks required by the law, the Group employees also have full medical insurance covering illness, injury, permanent invalidity, death and, for 2020 and 2021, also insurance cover for COVID-19. Under no circumstances does the internal organisation become aware of the medical data of its employees.

[GRI 403-5]

The Banca Ifis Group companies are constantly committed to promoting a workplace that can ensure the utmost safety and the protection of worker health. At the same time, the Group's employees must thoroughly comply with health and safety provisions as well as attend mandatory training programmes.

Information, teaching and training (in the event of a change in duties or the introduction of new equipment) **of workers on safety** is designed by the Prevention and Protection Service, in collaboration with the Human Resources Service, taking into account the generic and specific risks identified by the risk assessment document and the training needs identified for the individual workers.

Training is partly outsourced and mainly supplied by the Prevention and Protection Service, suitably trained to this end, and is delivered exclusively during working hours, free of charge and with a final test.

In 2021, more than 3.900 hours of **mandatory training** were delivered **on health and safety practices and procedures**. The increase in hours dedicated to training on the subject compared to 2020 (about 1.800 hours) is related to the recovery of training hours not provided in 2020 due to the pandemic and the provision through internal teachers of courses for newly hired, refresher workers and new supervisors.

[GRI 403-9]

The following safety indicators are produced in accordance with the standard UNI 7249 and concern the number of injuries (excluding commuting accidents).²⁴

| Total number of injuries ²⁵ | | 2021 | 2020 | 2019 |
|--|-----|------|------|------|
| | No. | 2 | 3 | 2 |
| Total number of deaths caused by accidents at work | No. | 0 | 0 | 0 |
| Total number of serious accidents at work (excluding deaths) | No. | 0 | 0 | 0 |
| Total number of accidents at work subject to registration | No. | 2 | 3 | 2 |

| Injury rate | | 2021 | 2020 | 2019 |
|--|-----|------|------|------|
| | No. | 0,67 | 1,16 | 0,69 |
| Rate of deaths caused by accidents at work | No. | 0 | 0 | 0 |
| Rate of serious accidents at work (excluding deaths) | No. | 0 | 0 | 0 |
| Rate of accidents at work subject to registration | No. | 0,67 | 1,16 | 0,69 |

Rate of accidents at work subject to registration = (number of accidents at work subject to registration/number of hours worked) x 1.000.000

The number of hours worked is defined by excluding the following subsidiaries from the estimate: Credifarma, Cap.Ital.Fin, Ifis Real Estate, Farbanca, Ifis Finance IFN and Ifis Finance Sp. Zoo.

The data for 2019 has been recalculated according to the requirements of the new GRI 403-9 disclosure, which came into force in January 2021. Therefore, the above data differs from that reported in the 2019 Non-Financial Statement where the information was set as per the requirements of the standard previously in force. The 2020 and 2021 figures exclude commuting accidents if not handled by the organisation.

²⁴ The data for 2019 has been recalculated according to the requirements of the new GRI 403-9 disclosure, excluding commuting accidents if not handled by the organisation.

²⁵ Foreign employees are excluded from the disclosure.

Specifically, in 2021 there were only 2 workplace injuries (3 in 2020), both caused by impacts. In addition, 6 accidents took place during the commute (10 in 2020) from home to work or back, using the company's cars or employees' own cars. No accidents took place involving non-employed workers.

Dangers at work constituting a risk of injury with serious consequences include the dangers linked to the work carried out by (sales and other) staff using a company car to visit customers or for business transfers and the dangers linked to the work of gardener, present in the Parent Company. The Integrated Safety and Environment Manual refers to the **procedure for the analysis and management of accidents**, envisaging any improvements that may need to be made.

[GRI 403-10]

Similarly to previous years, there were no cases of occupational diseases. Major hazards that may cause future occupational disease, identified through risk assessment, include those derived from the following risk factors:

- physical such as noise and vibration of the hand-arm system and whole body;
- inherent in the workplace and the organisation of work, such as proper ergonomics of the workstation and the use of video terminals.

Preventive measures taken to offset these risks and ensure the correct conduct of activities are monitored through the three control levels envisaged in the Integrated Safety and Environment Manual.

Workplace health and comfort

To evaluate the effectiveness of the adopted management approach, General Services conduct **environmental monitoring and surveys** to assess the internal well-being of work environments, performing air quality analyses at the Group's main locations and monitoring noise levels and microclimate, which have resulted in the adoption of improvements. The Prevention and Protection Service instead conducts **safety audits** on a regular basis, especially at newly opened locations or offices, in the event of significant changes to the layout of work environments.

The Group is currently reviewing its sites to increase flexibility and sustainability, thereby confirming the Group's close focus on and commitment towards adopting socially responsible behaviour. All office restructuring operations are designed and carried out with a view to supplying functional, comfortable environments, with a particular focus on design: offices, meeting rooms and common areas feature furnishings and new technologies that promote the exchange and sharing of information. For example, the restructuring of the offices of Vicenza, Parma and the Milan property in Via Borghetto, sees particularly close attention being paid to new dynamics linked to co-working procedures, flexibility of space and remote working (*for more details, see the section on direct environmental impacts*).

Occupational welfare policies

The Banca Ifis Group offers employees an extensive, articulated **benefits platform** focussed on personal care and protection, and which are flanked by dedicated initiatives. The platform connected to the corporate intranet manages in an integrated manner the initiatives with which the company takes charge of the needs of employees, granting benefits and facilities in the form of goods and services.

[GRI 401-2 a.]

The wide range of employee **benefits** includes²⁶:

- Supplementary pension fund (supplementary welfare)
- Health policy with family coverage*
- Welfare Standard Credit in the form of reimbursement, payment, purchase and/or facilitation in relation to specific services offered by the company under the Welfare Plan, such as family support services, wellness services, services related to shopping
- Luncheon vouchers
- Company car (when provided) with electric charging station at the company's premises
- Shuttle service for transfer workers
- Special-rate mortgages for first home purchases*
- Tax assistance service in remote mode (the benefit of which is defined from year to year)
- Balance courses (suspended due to health emergency from COVID-19)
- Yoga courses (suspended due to health emergency from COVID-19)
- Fit Pilates and Hatha Yoga classes (suspended due to health emergency by COVID-19)
- Gympass (partnership with several Italian sports facilities for the use of various services dedicated to the well-being of the employee and his family. With a single monthly subscription, employees have access to sports facilities and gyms, personal trainers, live classes to work out from home, and more than 30 partner apps for meditation, nutrition, coaching, workouts and more)
- Presence of an equipped gym in Venice Mestre (currently not accessible for health emergency from COVID-19)
- Visits of the nutritionist at the headquarters of Milan (currently suspended for health emergency by COVID-19)
- Presence of the on-line newsroom (Il Sole 24 Ore) to foster continuous updates
- Participation in sports events of which the Bank is a sponsor (soccer, volleyball, basketball, cycling, running, etc.).

* The benefit refers only to permanent employees

In addition, again for 2021, the **Corporate Benefits project** has been confirmed: the portal of corporate conventions with special offers and discounts on a wide range of products and services.

[GRI 102-41]

| Employees covered by collective bargaining agreements | | 2021 | 2020 | 2019 |
|---|-----|-------------------|-------|-------|
| Employees covered by collective bargaining agreements | No. | 1.819 | 1.697 | 1.724 |
| Percentage of total employees | % | 98% ²⁷ | 98% | 98% |

²⁶ The benefits reserved exclusively for permanent employees are defined as a result of decisions that apply to the Group as a whole. With regard to foreign employees, both on temporary and permanent contracts, the following benefits, by way of example but not limited to, health Policy, supplementary Pension Fund, luncheon vouchers, company car

²⁷ The figure represents all employees based in Italy. The remaining 2% are employees based abroad and subject to local laws, including contracts.

5.2 Promotion and development of employees

Policies and other reference documentation

- Code of Ethics
- Group employee management policy

The Group strives to develop training plans based on the concept of continuous learning and dynamically managing the skills and careers of human resources.

Another key aspect is guaranteeing **transparent performance review systems and professional growth plans** for the Group's entire population, allowing all employees to work to the best of their abilities.

Training

Training is key to the Banca Ifis Group for constantly upgrading employee skills - which is **crucial for growing the business, strengthening integration on all levels and attracting and retaining talent**. An adequate training positively impacts the performance and effectiveness of employees as well as external agents, the dissemination of the corporate culture, and engagement. This has positive implications also for customers, as complying with professional standards, promoting a culture of preventing risks, and empowering the members of the network influence the quality of the service rendered. Mandatory training required by law also plays a crucial role, as it prevents employees and the Bank from committing, including unwittingly, acts that could constitute criminal offences.

Every year, based on the result of the performance appraisal process and the training needs identified, the Banca Ifis Group designs, prepares and implements a **Training Plan** for all employees. Said Plan is proposed by the Human Resources Development and Training function and approved by the Chief HR Officer and the Chief Executive Officer.

[GRI 404-2 a.]

The Group supports its employees' professional growth through:

- basic training, aimed at providing general information about the company's operations, products and services offered, procedures and basic regulations;
- career mobility, intended to build specialist, business, and management skills;
- specific professional growth projects tailored to the different types of positions / employee categories or clusters.

[GRI 404-2]

Training programmes cover three main areas:

- **managerial**, behavioural and technical training, based on the staff evaluation process;
- **mandatory** training relative to: administrative liability of entities pursuant to Italian Legislative Decree no. 231/2001, operative requirements linked to the regulations on banking transparency, anti-money laundering, worker health and safety, IT security, regulation on personal data protection and business continuity, IVASS, MiFID 2, etc.;
- training courses **for contingent or emerging needs**, such as organisational changes, regulatory changes or new business priorities, which may require specific knowledge in certain areas to ensure the acquisition of specific skills in a short time.

Based on the topic to explore and the target level of knowledge, the Human Resources Development and Training function identifies the most effective and efficient training method among such options as management and behavioural training workshops (in-house and external), specialised technical training (in-house and external), on-line courses, external seminars / conferences, training on the job, coaching, and one-to-one training.

The Human Resources Development and Training function periodically checks satisfaction with, and effectiveness of the courses proposed.

Specific **onboarding programmes** are proposed for new hires and the employees of the companies acquired during the year (partly digitised on the Ifis Talent platform), also including a series of individual and/or group meetings aimed at integrating new hires into the organisation and their respective structures, as well as sharing the corporate culture. During 2021, 199 employees attended Onboarding/Induction meetings, compared to 92 in 2020 and 254 in 2019. The increase in the number of people who participated in Onboarding/Induction activities in 2021 is also linked to the need to integrate Aigis and Farbanca employees into the reality of the Group.

An **internal Academy** is also under construction through which to holistically manage all training and development activities in line with corporate strategy.

[GRI 404-2 a.]

Given the continuation of smart working, in 2021 it was decided to continue the Ifis Smart Way project already proposed in 2020, in order to raise awareness and disseminate good practices of remote working through specific webinars.

In addition, the **Ifis Talks**, meetings in which employees can freely participate, continued, involving important testimonials in short "Inspiring" webinars. The aim of Ifis Talks is to create opportunities for analysis and interaction on key topics for the Italian Group companies, in a logic of excellence and creativity, through brief training sessions and the sharing of best practices, which can inspire and contribute towards revolutionising the approach in a context of continuous change.

Another area of intervention was the strengthening of English language skills both from a general and business point of view for employees belonging to some specific functions, involved in a training project lasting a total of 9 months and combining on-line group lessons and e-learning.

| Training hours delivered | | 2021 | 2020 | 2019 |
|----------------------------------|----|----------|----------|----------|
| Total | h. | 28.601,1 | 37.133,2 | 31.897,4 |
| By gender: | | | | |
| Men | h. | 14.599,0 | 19.251,3 | 15.886,5 |
| Women | h. | 14.002,0 | 17.881,9 | 16.010,9 |
| By professional category: | | | | |
| Senior managers | h. | 1.249,8 | 1.086,9 | 693,4 |
| Middle managers | h. | 8.986,5 | 10.700,8 | 6.930,8 |
| Clerical staff | h. | 18.364,8 | 25.345,5 | 24.273,1 |

[GRI 404-1]

| Average training hours per capita | | 2021 | 2020 | 2019 |
|-----------------------------------|----|------|------|------|
| Total | h. | 15,5 | 21,5 | 18,2 |
| By gender: | | | | |
| Men | h. | 17,1 | 24,2 | 19,7 |
| Women | h. | 14,1 | 19,2 | 16,9 |
| By professional category: | | | | |
| Senior managers | h. | 14,0 | 13,9 | 9,4 |
| Middle managers | h. | 16,5 | 21,1 | 13,6 |
| Clerical staff | h. | 15,1 | 22,2 | 20,8 |

The **reduction in the number of training hours** compared to the previous year is linked to the fact that in 2020 it was necessary to activate several training projects (as a consequence of the arrival of the COVID-19 pandemic) in order to both support a new model of remote work with its specificities related to the organisation, time management and coordination of remote resources and to support some structures in direct contact with customers touching topics such as empathy, telephone negotiation and self-efficacy.

Again in 2020, the possibility was given for employees, during the early stages of the pandemic, to make use of a "Smart Learning" permit for up to 3 days to be spent on training, available on the Ifis Talent platform, of all mandatory options.

In addition, in 2021 almost all training was conducted "remotely," resulting in the need to contract the duration in order to make participation easier and the level of attention higher. As a result of the experience gained in recent years, a reorganisation of the training world is underway that will converge in the **creation of an Academy**.

| Total training hours provided by type/area | | 2021 | 2020 | 2019 |
|---|----|------------------------|----------|----------|
| Total | h. | 28.601,1 | 37.133,2 | 31.897,4 |
| Total about Health and Safety | h. | 3.989,0 | 1.862,0 | 1.440,5 |
| Total about anti-corruption policies and procedures | h. | 833,0 | 1.107,5 | 732,5 |
| Total about money laundering policies and procedures | h. | 2.312,5 | 4.217,0 | 2.366,0 |
| Total "Other" | h. | 21.466,6 ²⁸ | 34,163.7 | 29.724,4 |

With regard to safety training, the increase in training hours is linked to the recovery of training hours not provided in 2020 due to the pandemic and the provision through internal teachers of courses for new recruits, refresher courses for workers and new supervisors. The reduction in training hours on anti-corruption and anti-money laundering issues are linked to the fact that the related mandatory e-learning courses²⁹ were issued in previous years and are now considered valid and to be completed.

²⁸ The "Other" section includes 874,5 hours of study/examination leave.

²⁹ N specific reference to the courses "The liability of entities ed. 2020" and "Anti-money laundering discipline ed. 2020"

Performance review

People are key to accomplishing the Banca Ifis Group's goals. Therefore, **human resources management seeks to promote the competencies and skills of each individual** by providing opportunities to fulfil their potential.

To this end, clear and transparent performance review systems directly impact the extent to which all the Group's employees are integrated and can make the most of their talents within the new corporate organisation as well as the level of recognition of specific personal skills perceived by each individual, contributing to a sense of belonging and engagement. The Banca Ifis Group thoroughly **reviews the performance of its employees on a regular basis** in accordance with the Group Employee Management Policy. Besides the proper discharge of their duties, it considers factors such as integrity, professionalism, dedication, fairness, availability, and initiative.

Ifis Talent

For a company that innovates, it is essential to focus on the development of people and actions that can boost human potential. This was the reasoning behind the 2017 creation of Ifis Talent, the **Banca Ifis Talent Management System**: a platform, and an example of the continuous digitisation process, designed to improve the process of training, promotion and management of people in order to satisfy the needs of the organisation and of all current and future employees. With this project, employees have a single platform available incorporating all Human Resource Development processes and where they can find the tools they need to continue to grow professionally. It is also an innovative tool for managers, who can view and get to know the "history" of their co-workers. All this makes it an absolutely exceptional opportunity to increase the Bank's professional and managerial potential.

Ifis Talent, in addition to tools for the annual assessment of collaborators, has an area dedicated to **Continuous Feedback**, to allow managers to constantly give feedback to its collaborators on the objectives achieved, skills acquired and areas of improvement. In 2021, after a training course of 8 video pills, important innovations have been introduced to the Continuous Feedback tool with the aim of developing more and more a culture of continuous improvement through the enhancement of all internal networking contexts in which to give or ask for feedback: it has been made available also for the exchange of feedback between colleagues of different areas, to give feedback to your boss or to ask for it, and it has been digitally integrated with digital pills depending on the skills subject to feedback thus supporting not only the process of personal awareness but also the possibility to acquire new references and behavioural methods.

On the platform, the **onboarding** process has also been digitised in order to support and guide the new employees in the first three months of company life. In 2019, the quality of the work and commitment to the digitisation of a great many processes relative to Human Resources was also recognised by the HR Innovation Practice Observatory of Milan Polytechnic University. Banca Ifis was proud to stand out amongst all cases presented, winning the 2019 HR Innovation Award in the Performance Management category. In 2020, on the other hand, the case study was also presented and shared as best practice at the annual Este "Development & Organisation Forum" event.

The performance review process is handled by Human Resources and conducted by ensuring the assessments are fair as well as simply and clearly represented.

Every year, the head of each Organisational Unit formally reviews the performance of the people assigned to their structure. The effectiveness of the management approach is ascertained through internal analyses carried out by the Human Resources Office, namely: verification of compliance with the distribution of expected assessments and the fulfilment of contractual obligations regarding the evaluation of employees by managers.

[GRI 404-3]

| Total employees assessed during the year by gender | | 2021 | 2020 | 2019 |
|--|-----|-------|-------|-------|
| Total | No. | 1.579 | 1.587 | 1.411 |
| | % | 85% | 92% | 80% |
| Per genere: | | | | |
| Men | No. | 722 | 723 | 642 |
| | % | 84% | 91% | 80% |
| Women | No. | 857 | 864 | 769 |
| | % | 86% | 93% | 81% |
| By professional category: | | | | |
| Senior managers | No. | 78 | 69 | 41 |
| | % | 88% | 88% | 55% |
| Middle managers | No. | 481 | 482 | 469 |
| | % | 88% | 95% | 92% |
| Clerical staff | No. | 1.020 | 1.036 | 901 |
| | % | 84% | 91% | 77% |

The performance assessment process that took place in 2021 is linked to the performance recorded in 2020. This process involves the senior and middle managements and clerical staff of the Banca Ifis Group, hired by 30 September of the previous year and those who worked at least 3 months during the previous year³⁰.

Employee engagement

Evolution of the Ifis4you intranet

The **Ifis4you** corporate internet was completely revamped during the rebranding in June 2020 with the goal of improving the user experience and internal browsing. With a view to integrating the entire company population spread throughout the territory, it has been transformed from a platform of documents and information into a means of disseminating content and sharing with a focus on internal news: photographs, ample space for sponsorships and activities in the territory, personal branding of managers, and interviews. The live-streaming platform is also innovative.

Within the Intranet there are sections dedicated to specific topics, such as the one on Smart Working where all the updates and important communications relating to the "emergency" agile working method currently applied are shared, or the one reserved for conventions and prizes or gifts made available to Ifis People by Banca Ifis, such as tickets for matches of sports teams sponsored by the Bank (Reyer basketball, volleyball, Sampdoria soccer), 130 Vouchers to see film premiers, 170 vouchers to see films in SD format on the Rakuten platform and FAI free tickets.

Employees can also access various innovative functions directly from the intranet homepage. For example, they can:

- enter the streaming platform Ifis On Demand to follow actual digital events;
- express their opinion through the quick survey *Dì la tua* (Have your say);
- access the interactive multimedia contents of the Ifis Gallery (videos and photographs);
- directly access the Corporate Benefit partnership, a one-stop portal for employees with corporate conventions and offers ranging from school supplies, travel, wellness, recreation and technology;
- book to participate in events, both sporting and non-sporting, of which the Bank is a sponsor or with which it has partnerships;
- see the birthdays of colleagues on the "birthday board"
- connect to a "virtual market" where colleagues can exchange, sell and purchase items.

³⁰The assessment refers to the workforce employed at 31/12/2021, and all those who received an assessment during the year but were no longer employed at that date are therefore excluded

Ifis4you also has a **virtual assistant** called Leo, whom employees can contact to ask for help in booking and managing transfers (tickets, hotels, restaurants), booking on-site blood tests, reserving a virtual room or meeting room, looking for a number in the company telephone directory or finding a document.

The many initiatives implemented by Banca Ifis for its employees include:

- **strengthening of internal narrative** thanks to the continuous telling of all Group activities and projects through dedicated news: from local initiatives and sustainability to special agreements reached, partnerships and sponsorships;
- the creation of a **container live streamed internally**, called **Ifis Cappuccino**: short, virtual breakfasts with the various members of the Group's management team, who analyse the most relevant topics for the Bank live;
- the organisation of a **digital "treasure hunt"** on the occasion of the Easter holidays. Browsing through the various sections of Ifis4you, employees had the opportunity to come across many small "Easter" icons which, once clicked, gave them the right to a small Banca Ifis branded gift and a 4 kg super egg of the finest Lindt chocolate;
- the organisation of an **internal challenge on the occasion of the 17th International Architecture Exhibition of the Venice Biennale**, which saw a third of the company's population actively involved in winning 25 pairs of complimentary tickets to the Venice Biennale to the daily winners of the Contest and SmartBox packages to the 3 overall winners;
- the organisation of the **internal Christmas talent show**, broadcast in streaming on the Bank's internal channels, during which all employees were able to participate, either by performing as competitors within the talent show, or as voting audience from home through an interactive platform created ad hoc;
- various other employee engagement activities on their **birthdays** and the sending out of **gift boxes** to their homes on other occasions (Easter, rebranding, Christmas).

5.3 Diversity and Inclusion

Policies and other reference documentation

- Code of Ethics
- Remuneration report (Remuneration and incentive policies)
- Group Whistleblowing Policy

As explained in the Code of Ethics, the behaviour of all Group staff must be utterly correct and fair. The Banca Ifis Group undertakes to ensure that the management and heads of the individual organisational units behave fairly toward their collaborators, guaranteeing professional growth and fostering a working climate inspired by principles of transparency and loyalty.

The Banca Ifis Group guarantees that all employees (and collaborators, including external) are treated with no distinction or preference based on age, gender, sexual orientation, marital status, religion, language, ethnic or national origins, physical or mental disabilities, state of pregnancy, maternity or paternity, including through adoption, personal beliefs, political opinions, affiliation or trade union activities.

It is possible to report any conduct contrary to these principles, with the guarantee that the personal data of the complainant and the alleged offender will remain confidential, **through the Whistleblowing mechanism**, which is available to employees as well as collaborators and independent contractors working with the Group.

[GRI 406-1]

As for previous years, **no incidents of discrimination were reported in 2021**.

Diversity and inclusion issues are of significant importance to the Banca Ifis Group. This commitment is reflected in work-life balance policies and welfare to support family needs, in particular to support maternity, parental leave and other situations of family difficulties, thanks to the activation of part-time or remote work.

In 2021 the Banca Ifis Group became part of the **Valore D network**, the first association of national and international companies that promotes gender balance and works to spread an inclusive culture for the growth of companies and the country.

The Group was also among the first signatories and partners of the **4 Weeks 4 Inclusion project**, an inter-company event dedicated to inclusion, which this year involved 200 companies. In order to promote gender culture, the Group produces multimedia content that it then conveys both internally and externally (such as the video made on the occasion of the International Women's Rights Day 2021, which saw the direct involvement of a number of female colleagues in middle and high management) and supports studies and research in the sector and training and empowerment initiatives to help young female students in STEM disciplines.

In terms of **gender diversity**, the percentage of women in the Group stood at **54%**, with a distribution in the various categories of classification equal to 25% for Executives, 43% for Middle Managers and 60% for Clerical Staff³¹. In particular, in 2021, in the Banca Ifis Group, **around 40% of Top Management are women**.

³¹ For more information, reference should be made to the tables contained in the section entitled "Additional information on employees" on the following pages

Gender Equality Winning Women institute certification

Banca Ifis is the first Italian bank to be certified for gender equality by the Winning Women Institute, a company committed to spreading the principle of gender equality within the world of work. The assessment is based on the “Dynamic Model Gender Rating” which considers the achievement of quantitative and qualitative KPIs in four specific areas:

- opportunities for growth within the company;
- compensation equity and HR processes;
- practices for managing gender diversity;
- maternity protection practices.

The Group's commitment to gender equality is expressed in an increasingly inclusive culture, which is reflected in work-life balance policies and welfare to support family needs, in particular to support maternity, parental leave and other situations of family difficulties, thanks to the activation of part-time or remote work.

Remuneration and incentives

The Group's **remuneration and incentive policies** are defined in accordance with the Group's culture and values, long-term strategies, and prudent risk management policies, consistently with the provisions concerning the prudential control process.

The Banca Ifis Group envisages an **annual bonus scheme** that follows the employee performance assessment process as well as annual incentive schemes focused mainly on the sales force.

In 2021, the disbursement of a **variable compensation mechanism**. The agreement signed fosters greater employee involvement in the pursuit of corporate objectives and, therefore, in increasing the Group's profitability, productivity, competitiveness and efficiency. Also, for 2021, through the same agreement, a basket of goods and services were made available to employees, constructed around individual and family needs. These offers, divided into areas (education expenses, supplementary pension schemes, mortgages, healthcare fund, public transportation, leisure time, and vouchers), have been made available to employees and their relatives, either as a “redemption” or a direct purchase or payment. The Agreement provides for an additional form of incentive of up to 20% on top of the actual basic bonus, with the aim of rewarding distinctive conduct in terms of fairness, transparency, ethics, collaboration among colleagues and quality of work. This initiative, applied for the first time with reference to the evaluation of FY 2021, is intended to ensure a recognition more in line with the actual contribution made by each employee and a fairer and more consistent distribution of bonuses.

In terms of premiums, the route continues on from last year, aimed at fighting the gender pay gap through a careful monitoring aimed at guaranteeing gender equality. The policies designed to conciliate professional and private life, as well as welfare in support of family needs, can help reduce the gender pay gap by reducing career interruptions and discontinuity of female employment.

[GRI 405-2]

| Ratio of basic salary of women to men by employee category ³² | | 2021 | 2020 | 2019 |
|--|---|------|------|------|
| Senior managers | % | 95% | 102% | 91% |
| Middle managers | % | 92% | 93% | 90% |
| Clerical staff | % | 98% | 99% | 97% |

| Ratio of remuneration of women to men by employee category ³³ | | 2021 | 2020 | 2019 |
|--|---|------|------|------|
| Senior managers | % | 97% | 99% | 88% |
| Middle managers | % | 91% | 92% | 91% |
| Clerical staff | % | 98% | 98% | 97% |

Concerning the ratio of the basic salary of women to men, for 2021, there is substantial equality within the Clerical staff category and a limited difference for Middle and Senior Managers. The analysis also includes foreign clerical staff employees.

For all categories, there is an increase in base salary over the three-year period while, compared to the year 2020, there is a decrease in compensation in 2021 as a result of a containment of the variable component due to the particular pandemic situation.

Despite the continued uncertainty and difficulty of the period, the Group has managed to complete its main projects for the review of the organisational and governance structure for the current year, with the aim of optimising the business and people who are a part of it, confirming on the one hand the premiums aimed at withholding resources and protecting the business competitiveness, and, on the other, at continuing to implement its workforce as per the Bank's hiring plan.

³² The calculation excludes the additional amounts paid to workers (e.g. those based on the years of service, bonuses, overtime, additional indemnity for transport, transfers, etc.)

³³ It is specified that for employees who joined from 01/10/2019 onwards, no variable premium has been disbursed insofar as none is envisaged for the reference year 2019.



Additional information on employees

[GRI 405-1]

| Breakdown of personnel | | 2021 | 2020 | 2019 |
|---|-----|--------------|---------------------------|--------------|
| Total | No. | 1.849 | 1.727³⁴ | 1.753 |
| By gender: | | | | |
| Men | No. | 856 | 794 | 807 |
| | % | 46% | 46% | 46% |
| Women | No. | 993 | 933 | 946 |
| | % | 54% | 54% | 54% |
| By age group: | | | | |
| Less than 30 years old | No. | 138 | 91 | 211 |
| | % | 7% | 5% | 12% |
| Between 30 and 50 years old | No. | 1.380 | 1.307 | 1.253 |
| | % | 75% | 76% | 71% |
| More than 50 years old | No. | 331 | 329 | 289 |
| | % | 18% | 19% | 16% |
| Total number of employees by category and gender | | | | |
| Total Senior Managers | No. | 89 | 78 | 74 |
| Men | No. | 67 | 60 | 57 |
| | % | 75% | 77% | 77% |
| Women | No. | 22 | 18 | 17 |
| | % | 25% | 23% | 23% |
| Total Middle Managers | No. | 546 | 507 | 511 |
| Men | No. | 309 | 285 | 287 |
| | % | 57% | 56% | 56% |
| Women | No. | 237 | 222 | 224 |
| | % | 43% | 44% | 44% |
| Total Clerical staff | No. | 1.214 | 1.142 | 1.168 |
| Men | No. | 480 | 449 | 463 |
| | % | 40% | 39% | 40% |
| Women | No. | 734 | 693 | 705 |
| | % | 60% | 61% | 60% |

³⁴ For 2020, the total number of employees excludes 31 Farbanca employees.

| Total number of employees by category and age bracket | | 2021 | 2020 | 2019 |
|---|------------|--------------|--------------|--------------|
| | No. | 1.849 | 1.727 | 1.753 |
| Total Senior Managers | No. | 89 | 78 | 74 |
| Less than 30 years old | No. | 0 | 0 | 0 |
| | % | 0% | 0% | 0% |
| Between 30 and 50 years old | No. | 41 | 32 | 38 |
| | % | 46% | 41% | 51% |
| More than 50 years old | No. | 48 | 46 | 36 |
| | % | 54% | 59% | 49% |
| Total Middle Managers | No. | 546 | 507 | 511 |
| Less than 30 years old | No. | 3 | 1 | 3 |
| | % | 1% | 0,2% | 1% |
| Between 30 and 50 years old | No. | 377 | 339 | 358 |
| | % | 69% | 66,9% | 70% |
| More than 50 years old | No. | 166 | 167 | 150 |
| | % | 30% | 32,9% | 29% |
| Total Clerical staff | No. | 1.214 | 1.142 | 1.168 |
| Less than 30 years old | No. | 135 | 90 | 208 |
| | % | 11% | 8% | 18% |
| Between 30 and 50 years old | No. | 962 | 936 | 857 |
| | % | 79% | 82% | 73% |
| More than 50 years old | No. | 117 | 116 | 103 |
| | % | 10% | 10% | 9% |

The 30 resources working abroad - including 17 women in 2021 (15 in 2020) and 13 men (15 in 2020) - have been classified in the "Clerical staff" category, as they are not otherwise classifiable in the typical categories under Italian law.

| Individuals from minority or vulnerable groups | | 2021 | 2020 | 2019 |
|---|------------|-------------|-------------|-------------|
| Total | No. | 87 | 84 | 84 |
| Less than 30 years old | No. | 3 | 3 | 7 |
| Men | No. | 2 | 2 | 4 |
| Women | No. | 1 | 1 | 3 |
| Between 30 and 50 years old | No. | 64 | 61 | 60 |
| Men | No. | 24 | 25 | 24 |
| Women | No. | 40 | 36 | 36 |
| More than 50 years old | No. | 20 | 20 | 17 |
| Men | No. | 5 | 5 | 5 |
| Women | No. | 15 | 15 | 12 |
| <i>% individuals from minority or vulnerable groups out of total employees</i> | % | <i>4,7%</i> | <i>4,9%</i> | <i>4,8%</i> |
| <i>% individuals from minority or vulnerable groups out of total employees (included in calculation base)</i> | % | <i>5,5%</i> | <i>5,8%</i> | <i>6,0%</i> |

The figure relating to the % of individuals from minority or vulnerable groups out of total employees was calculated on the basis of the Group companies (in 2020, Farbanca was excluded).

In accordance with Italian Law no. 68/99, the protected categories considered regard subjects with physical or sensory disabilities and other categories such as orphans, surviving spouses and refugees (repatriated Italians).

[GRI 401-1]

| Total employees hired | | 2021 | 2020 | 2019 |
|-----------------------------|-----|------|------|------|
| | No. | 615 | 114 | 287 |
| | % | 33% | 7% | 16% |
| per genere: | | | | |
| Men | No. | 284 | 60 | 139 |
| | % | 33% | 8% | 17% |
| Women | No. | 331 | 54 | 148 |
| | % | 33% | 6% | 16% |
| by age group: | | | | |
| Less than 30 years old | No. | 94 | 27 | 92 |
| | % | 68% | 30% | 44% |
| Between 30 and 50 years old | No. | 486 | 78 | 172 |
| | % | 35% | 6% | 14% |
| More than 50 years old | No. | 35 | 9 | 23 |
| | % | 11% | 3% | 8% |

| Total employee who left the organisation | | 2021 | 2020 | 2019 |
|--|-----|------|------|------|
| | No. | 417 | 140 | 172 |
| | % | 23% | 8% | 10% |
| by gender: | | | | |
| Men | No. | 194 | 74 | 78 |
| | % | 23% | 9% | 10% |
| Women | No. | 223 | 66 | 94 |
| | % | 22% | 7% | 10% |
| by age group: | | | | |
| Less than 30 years old | No. | 39 | 13 | 45 |
| | % | 28% | 14% | 21% |
| Between 30 and 50 years old | No. | 350 | 94 | 116 |
| | % | 25% | 7% | 9% |
| More than 50 years old | No. | 28 | 33 | 11 |
| | % | 8% | 10% | 4% |

It should be noted that within the 2021 hires and terminations, additions due to corporate mergers/spin-offs; contract terminations and new corporate acquisitions have been considered. Specifically, it should be noted that 392 "hirings" and 285 "terminations" are the result of the reorganisation of the corporate structure of the NPL segment, 50 "hirings" are the result of the acquisition of the operating business of Aigis Banca carried out in May 2021 and 6 "hirings/terminations" are actually transfers of intercompany contracts. Excluding these transactions, the hiring trend has not significantly reversed.

[GRI 102-8]

| Total employees | | 2021 | 2020 | 2019 |
|---------------------------------------|------------|--------------|--------------|--------------|
| | | No. | 1.849 | 1.727 |
| On permanent contracts (total) | No. | 1.786 | 1.671 | 1.682 |
| Men | No. | 829 | 770 | 769 |
| | % | 46% | 46% | 46% |
| Women | No. | 957 | 901 | 913 |
| | % | 54% | 54% | 54% |
| Fixed term (total) | No. | 63 | 56 | 71 |
| Men | No. | 27 | 24 | 38 |
| | % | 43% | 43% | 54% |
| Women | No. | 36 | 32 | 33 |
| | % | 57% | 57% | 46% |

The figure returned includes foreign employees (1,6% of the total, 30 people). A breakdown of data by geographical area is not provided in view of the fact that operations are primarily concentrated in Italy.

| Total employees | | 2021 | 2020 | 2019 |
|--------------------------|------------|--------------|--------------|--------------|
| | | No. | 1.849 | 1.727 |
| Full time (total) | No. | 1.758 | 1.571 | 1.664 |
| Men | No. | 851 | 743 | 803 |
| | % | 48% | 47% | 48% |
| Women | No. | 907 | 828 | 861 |
| | % | 52% | 53% | 52% |
| Part time (total) | No. | 91 | 67 | 89 |
| Men | No. | 5 | 3 | 4 |
| | % | 5% | 4% | 4% |
| Women | No. | 86 | 64 | 85 |
| | % | 95% | 96% | 96% |

Non-employed workers are not a significant portion in respect of the organisation's activities (69 people, or 3,6% of the corporate population).

