

Annual report on the correct
functioning of our violation
reporting (Whistleblowing)
system

Year 2022

Premise

As is known, Banca Ifis, as the Parent Company and in accordance with the law, with the regulatory provisions and with industry best practices, has defined its internal system aimed at allowing the Group's staff members, to report either acts or facts that may constitute a violation of the rules governing activities being carried out and / or even irregularities of a management nature, while ensuring the confidentiality of the reporting party's personal data and of the alleged responsible party for the violation.

This report has been prepared by the Internal Audit Manager of Banca Ifis in his capacity as head of internal systems for reporting violations, in application of the provisions of the Bank of Italy's provisions, contained in Circular 285/2013 "Supervisory provisions for Banks", where it is indicated that: "In compliance with the provisions of the regulations on the protection of personal data, the manager of the internal reporting systems draws up an annual report on the proper functioning of the internal reporting systems, containing aggregate information on the results of the activity carried out following the reports following the reports received, that it is approved by the corporate bodies and made available to the bank's staff. "

Operational Outline of the whistleblowing reporting system

The reporting system is regulated by the "Group Policy for the management of reports of violations (whistleblowing)", published on the company portal (IFIS4YOU). Said Policy governs, in particular, the reporting methods and channels and the procedure that is established when a report is made.

Updated in January 2021, with the aim of incorporating the guidelines issued with the 34th update of Circular no. 285 of the Bank of Italy, the Policy, on the date of preparation of this report, is undergoing further adjustments in reason of the transposing of Directive 2019/1937 into the Italian legal order concerning the protection of individuals who report breaches of EU law. About two years after the issuing of the European Parliament Directive, the transposition process has come to an end also in Italy, with the approval by the Italian Council of Ministers of a Legislative Decree on 9 December 2022. The harmonization of the legislations relative to whistleblowing across Member States aims at ensuring equivalent safeguards for the reporting party, as well as providing effective protection measures against any possible retaliation.

In accordance with the provisions in force at Banca Ifis Group, anyone wishing to report a violation can alternatively use one of the following reporting options:

1. e-mail service (signalingviolation@bancaifis.it) dedicated to receiving violation reports. Since October 2021 a PEC e-mail address (segnalazioneviolazione@bancaifis.legalmail.it) has also been activated. These e-mail address are accessed only by the Internal Audit Manager of Banca Ifis;
2. postal service (or internal mail). Reports must be sent in a sealed envelope with the wording "STRICTLY CONFIDENTIAL" and must be addressed to the Head of Internal Audit of Banca Ifis;

3. specific application for whistleblowing accessible both from the company portal (IFIS4YOU) and from the institutional website (www.bancaifis.it). Management of this application is reserved to the Banca Ifis' Internal Audit Manager;
4. delivery in person by the reporting party to the Banca Ifis' Internal Audit Manager.

During 2022, no problems were found regarding the correct functioning of the internal reporting systems and recent checks on the availability of the e-mail service and application whistleblowing were successful.

Reports received - year 2022

Number of reports received, divided by admissible and inadmissible:

Reports received	Admissible	Inadmissible
1	0	1

Number of reports broken down by company and by level of severity:

Company	High	Medium	Low
Banca Ifis	0	0	1
CapitalFin	0	0	0
Credifarma	0	0	0
Ifis Finance Sp Zoo	0	0	0
Ifis Npl Servicing	0	0	0
Ifis Npl	0	0	0
Farbanca	0	0	0
Ifis Rental Service	0	0	0

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