



---

# Human Rights Policy

## BFF Banking Group

---

Date of last Board of Directors  
approval

21/12/2023

## TABLE OF CONTENTS

Introduction .....	3
Policy approval and updating .....	3
Definitions .....	5
CHAPTER I: .....	7
1    Introduction .....	7
1.1    International Reference Framework .....	7
1.2    Internal reference framework.....	8
CHAPTER II: .....	9
1    Principles .....	9
2    Purpose of the document and addressees .....	9
2.1    Group Personnel .....	9
2.2    Clients .....	10
2.3    Suppliers .....	10
2.4    Investors .....	11
2.5    Community.....	11
CHAPTER III .....	12
1    Monitoring.....	12
2    Transparency and communication .....	12
3    Sanctioning system .....	13
4    Reports .....	13

## INTRODUCTION

This Policy governs the principles and commitments of BFF Banking Group (hereinafter also the "Group" or "BFF") to foster and respect the protection of human rights, considered as key elements in the exercise and development of its activities.

Drawing inspiration from the provisions of the UN Charter, the Universal Declaration of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, and the UN Guidelines, the Group, aware of its responsibility, is committed to identifying, assessing, preventing and mitigating the possible unfavourable impacts on human rights directly or indirectly resulting from its activities and business relations.

BFF is committed to implementing strategies focussing on safeguarding dignity, freedom and equality without any distinction of gender, ethnicity, language, religion, age, sexual orientation, political and trade union affiliation, origin, disability or other conditions, continuously striving to improve its policies and procedures, with the aim of ensuring that values are well expressed and shared at company level and by all stakeholders.

\* \* \*

## POLICY APPROVAL AND UPDATING

The Policy is approved by the Parent Company's Board of Directors on the proposal of the Parent Company's Chief Executive Officer, after consulting the Parent Company's Compliance & AML Function and the Risk Management Function for the verifications of competence, and applies to the Bank and its Subsidiaries.

The Policy, as provided for by the Intragroup Regulation, is implemented by the Subsidiaries by resolution of the competent Corporate Body (the Board of Directors for Subsidiaries adopting the traditional governance model, or the Management Board for Subsidiaries adopting the dualistic governance model or similar models).

Subsidiaries are required to apply the Policy provisions at local level, subject to local jurisdictions.

The Parent Company's Regulation & Processes O.U. is responsible for the Policy updating process.

Any amendment to the Policy shall be approved in the same manner as the first approval.

Amendments of a purely formal nature (such as, for example, the review of the Parent Company's Functions and Departments names or the content of annexes) are approved by the Parent Company's Chief Executive Officer, subject to compliance verification by the Parent Company's Compliance & AML Function.

## DEFINITIONS

<p><b><i>Parent Company's Chief Executive Officer:</i></b></p>	<p>the "<i>body with management functions</i>" of the Parent Company, i.e. the member of the Parent Company's Board of Directors to whom ordinary management duties, namely the execution of the guidelines resolved while exercising strategic supervision functions, are delegated by the Parent Company's Board of Directors.</p>
<p><b><i>Parent Company's Board of Directors:</i></b></p>	<p>the "<i>body with strategic supervision functions</i>" of the Parent Company, which is entrusted with management functions, through, <i>inter alia</i>, the assessment of and resolution upon business or financial plans and strategic transactions.</p>
<p><b><i>Subsidiary/ies:</i></b></p>	<p>Group companies directly or indirectly subject to the direction and coordination activity of the Parent Company, including any branch thereof.</p>
<p><b><i>Consolidated non-financial statement or NFS:</i></b></p>	<p>the consolidated statement on non-financial information pursuant to Legislative Decree No. 254/2016, adopted by the Bank from time to time.</p>
<p><b><i>Corporate Functions:</i></b></p>	<p>the set of tasks and responsibilities assigned for the implementation of a specific phase of the company's activity.</p>
<p><b><i>Parent Company's Corporate Control Functions:</i></b></p>	<p>collectively, the Compliance Function, the Risk Management Function, the Internal Audit Function and the Financial Reporting Officer, i.e. the set of company's functions that, by virtue of legislative, statutory, regulatory or self-regulatory provisions, discharge control functions within the Parent Company.</p>

<p><b><i>Compliance &amp; AML Function:</i></b></p>	<p>within the Parent Company, the corporate compliance and AML/CFT risk control function. Within Subsidiaries, depending on the Parent Company's determination to centralize or decentralize Corporate Control Functions, a homologous function or reference person of the Compliance &amp; AML Function is identified.</p>
<p><b><i>Internal Audit Function:</i></b></p>	<p>in the Parent Company the corporate internal audit function.</p>
<p><b><i>Risk Management Function:</i></b></p>	<p>the corporate risk control function entrusted to the Parent Company's Risk Management Function. Within Subsidiaries, depending on the Parent Company's determination to centralize or decentralize Corporate Control Functions, a homologous function or reference person of the Risk Management Function is identified.</p>
<p><b><i>Group or BFF Group:</i></b></p>	<p>the BFF Banking Group.</p>
<p><b><i>Impacts on Human Rights:</i></b></p>	<p>all activities carried out by the company that could have direct or indirect negative effects on human rights</p>
<p><b><i>Personnel:</i></b></p>	<p>the members of bodies with strategic supervision, management and control functions, employees</p>
<p><b><i>United Nations Principles:</i></b></p>	<p>the Guiding Principles on business and Human Rights are divided into three pillars:</p> <ul style="list-style-type: none"> <li>• Protect;</li> <li>• Respect;</li> <li>• Remedy.</li> </ul> <p>Each pillar outlines the concrete and feasible steps for governments and companies to fulfil their</p>

	respective duties and responsibilities to prevent human rights violations in business operations and provide remedies if such abuses occur.
<b>Group Companies:</b>	the Parent Company and the Subsidiaries.
<b>Group ESG &amp; Financial Reporting Officer Support Organisational Unit:</b>	the Group ESG & Financial Reporting Officer Support Organisational Unit mainly discharges the duty of supporting the Financial Reporting Officer through the coordination, both at local and consolidated level, of the control activities to monitor the Internal Audit System for the accounting system, aimed at certifying in writing that the acts and communications pertaining to the Group at consolidated level disclosed to the market and relating to accounting information, including interim information, correspond to the documentary results, books and accounting records.

## CHAPTER I:

### 1 INTRODUCTION

#### 1.1 INTERNATIONAL REFERENCE FRAMEWORK

This *Policy* represents the Group's commitment in the matter of human rights and draws inspiration from the provisions of internationally shared declarations and conventions, standards, guidelines and principles, among which:

- the UN Universal Declaration of Human Rights;
- the International Convention on Civil and Political Rights;
- the International Covenant on Economic, Social and Cultural Rights;
- the European Convention on Human Rights, 1950;
- the UN Convention on the Rights of the Child, 1989;
- the International Labour Organisation (ILO) Conventions concerning

- fundamental human rights (Convention 29, 87, 98, 100, 105, 111, 138 and 182);
- the Declaration on Fundamental Principles and Rights at Work, 1998;
  - the European Parliament Resolution of 10 March 2021, with recommendations to the Commission concerning due diligence and corporate responsibility;
  - the United Nations (UN) Global Compact Principles, 1999;
  - the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, 2011;
  - the ILO Tripartite Declaration of Principles on Multinational Enterprises and Social Policy;
  - the World Bank Guidelines on Environment, Health and Safety (EHS);
  - the United Nations Environment Programme Finance Initiative (UNEP FI) Declaration of Financial Institutions on Environment and Sustainable Development

## **1.2 INTERNAL REFERENCE FRAMEWORK**

The Group has adopted an internal approach by using Group policies and guidelines whereby utmost attention is paid to the respect and promotion of human rights, which include, but are not limited to, the following:

- BFF Banking Group's Anti-Corruption Policy
- BFF Bank S.p.A.'s and BFF Banking Group's Anti-Money Laundering - Anti-Terrorism Policy
- Organisational Model 231
- Code of Conduct
- Code of Ethics
- Group policy for data protection by design through protection by default (Privacy by Design - Privacy by Default)
- Group outsourcing and ICT assets and services procurement policy
- Policy relating to the entering of new markets, the introduction of new products and services, the launch of new Group activities
- BFF Banking Group's Diversity & Inclusion Policy



- “Whistleblowing” operating procedure

## CHAPTER II:

### 1 PRINCIPLES

The Group is aware of the importance of a firm promotion of human rights principles and their valorisation, both in internal and external relations, and believes in a direct dialogue with all stakeholders in order to stimulate their proactive involvement.

The principles in which the Group strongly believes are: *i)* the promotion of fair and favourable working conditions (with initiatives valorising diversity), *ii)* the protection of health and safety at work, *iii)* freedom of association and collective bargaining, *iv)* combating child and forced labour, *v)* inclusion, *vi)* no tolerance of all forms of discrimination and harassment.

These concepts are better illustrated in the following paragraphs of this Policy.

### 2 PURPOSE OF THE DOCUMENT AND ADDRESSEES

In order to prevent and/or mitigate the possible impact on human rights ,this Policy considers the different stakeholders:

- Group personnel;
- clients;
- suppliers;
- investors;
- community,

altogether as “Addressees”.

#### 2.1 GROUP PERSONNEL

The Group is committed to the respect of the person and dignity of each employee, through a working environment where professional qualities, moral integrity, collaboration and innovation skills are present, through the development of each

individual and the promotion of integration, the valorisation of diversity, and better working conditions, equal opportunities, non-discrimination, well-being and quality of life in the workplace.

The following are also recognised:

- respect and freedom of action in order for everyone to be listened to and express his/her opinions;
- freedom of association and collective bargaining;
- health and safety through adequate risk assessment in order to limit and mitigate them;
- right balance between private and professional life.

All employees are made aware of human rights principles, which form an integral part of the Code of Ethics and the relevant company regulations.

## **2.2 CLIENTS**

The Group also shares respect for human rights with reference to clients, whose protection and safety it guarantees. Customer relations are based on principles of transparency and fairness, establishing a direct dialogue using a series of communication tools with the Group aimed at listening to and valorising customers' needs.

## **2.3 SUPPLIERS**

The Group endeavours with its suppliers to maintain relationships based on transparency and fairness in order to ensure integrity throughout the value chain.

Suppliers are selected on the basis of these principles and are required to base their activity on a sustainable social and environmental perspective, paying attention to key aspects such as non-discrimination (on all aspects), the right to health and safety, and the fight against child and forced labour and all forms of slavery.

The relevance of respect for human rights as fundamental values translates into an attitude of combating instances of non-compliance and, in the most serious cases, setting up sanction mechanisms up to and including the termination of the contract.

## 2.4 INVESTORS

The Group operates with respect for human rights also in its relations with its investors, with whom it establishes a dialogue inspired by the sharing of these values as fundamental and non-waivable pillars of its corporate culture and strategy.

## 2.5 COMMUNITY

The Group builds its relationship with the community by taking into account the principles of listening and dialoguing with the various spheres of civil society and is committed to assessing consistency of its financing, investment and customer care activities with the following principles;

- right to life and health;
- right of local communities to self-determination;
- right of native peoples to preserve, protect and develop their traditions and culture;
- right to an adequate standard of living;
- right to education and to take part in cultural life.

All Addressees are responsible, each within his/her competence, for complying with this Policy. In particular, all actions, transactions, negotiations and, in general, conducts adopted by the Addressees in the performance of their work, must be inspired by the principles and values expressed by this Policy, and must be open to audits and controls in accordance with the rules in force and internal procedures.

Furthermore, persons with supervision and coordination responsibilities are required to supervise compliance with the Policy by their employees, and to take appropriate measures to prevent, identify and report potential violations.

All Addressees are required to read, understand and fully comply with this Policy, which is available on the company intranet, as well as on BFF's institutional website.

All Addressees are required to abide by and, to the extent of competence, enforce compliance with the principles set out in the Policy: under no circumstances does claiming to be acting in the interest of BFF and/or Group Companies justify the adoption

of conducts conflicting with those set out herein and, in general, with applicable laws, regulations and rules.

## **CHAPTER III**

### **1 MONITORING**

Drawing inspiration from the United Nations Guiding Principles on Business and Human Rights, the Group directors and managers shall disseminate the contents of this Policy with the support of awareness-raising actions, and ensure the concrete implementation of the principles and contents of this Policy with virtuous behaviour, disseminating, internally and externally, a corporate culture based on ethics, respect and protection of human rights.

The content of the Human Rights Policy is continuously monitored by the Group ESG & Financial Reporting Support Unit with the support of the Compliance Function, in order to ensure prevention and/or mitigation of possible human rights risks and impacts.

Monitoring also extends to possible areas of impact and potential risks for human rights drawing inspiration from the International Bill of Human Rights and the ILO Conventions as defined in the Declaration on Fundamental Principles and Rights at Work.

### **2 TRANSPARENCY AND COMMUNICATION**

The Group acts according to the principles of transparency in the performance of all corporate activities impacting, directly or indirectly, on the protection of human rights by promoting a corporate culture aimed at respecting the protection of human rights.

This principle is expressed in a series of actions whereby the full awareness of respect for and protection of human rights is also communicated through:

- the annual publication of the Consolidated non-financial statement, subject to review by an external auditor;
- the dissemination of initiatives in which the Group is involved for the promotion of these rights;

- the publication of this Policy on the BFF Banking Group's website;
- the dissemination at corporate level and among stakeholders of a culture of respect for human rights.

### 3 SANCTIONING SYSTEM

The Group is committed to ensuring full compliance with the contents of this Policy and therefore to interrupting or sanctioning all behaviours not complying therewith by its employees, suppliers, collaborators and business partners.

Failure to respect the protection of human rights entails the ceasing of the fiduciary relationship and, consequently, the application of measures of a disciplinary and/or sanctioning nature because detrimental to the company's reputation.

### 4 REPORTS

The Group's Code of Ethics provides for the possibility of reporting all forms of human rights violations by using the tools made available such as:

- to the Supervisory Body
  - to the email address [odv231@bff.com](mailto:odv231@bff.com), or
  - via ordinary mail to BFF Bank S.p.A. – Attention of the Supervisory Body, Via Domenichino, 5, 20149, Milan (MI);
- to the Parent Company's Internal Audit Function
  - through a channel managed by an external provider, accessible at the following link:  
[https://digitalplatform.unionefiduciaria.it/whistleblowing/default\\_new4.asp?TOKEN=BFFBANK](https://digitalplatform.unionefiduciaria.it/whistleblowing/default_new4.asp?TOKEN=BFFBANK);
  - to the email address [segnalazioni@bff.com](mailto:segnalazioni@bff.com), or
  - via ordinary mail to BFF Bank S.p.A. – Attention of Responsabile Segnalazioni, Via Domenichino, 5, 20149, Milan (MI).

The Group protects whistleblowers, in abidance by the provisions of EU Directive 2019/1937 transposed by Legislative Decree No. 24 of 10 March 2023, implementing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October

2019, from any form of retaliation, discrimination or penalisation for reasons directly or indirectly related to the report.