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Global Policy

**Integrity Charter and Code of Conduct
of the FinecoBank Group**

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Introduction

In addition to its “economic and financial communications”, FinecoBank has always sought to provide communications that promote its image as a reliable, competitive and responsible partner, aware of the important social function it performs for the community.

The “Charter of Principles” and the “Code of Conduct” adopted by the Bank in 2004 were the first instruments to identify and define the traits that characterise our “enterprise culture” and our way of doing business. These principles and conduct have been reaffirmed and expanded on in the “Integrity Charter” and the “Code of Conduct”, documents that Fineco adopted in 2017 and which it is re-proposing today, updating them and adapting them to the context of the new Fineco Banking Group.

Obviously, the fundamental values already affirmed and shared remain unchanged.

In particular, the belief that reputation in the market is one of our most important assets. Respecting our tradition of reliability towards customers, colleagues, shareholders and other key stakeholders is a clear commitment for each of us, also strengthened by the focus on these values at international level by the United Nations in the Global Goals for Sustainable Development and in the principles of the Global Compact, of which we are signatories. All the directors, managers, employees and consultant staff (including the personal financial advisors authorised for door-to-door selling) of FinecoBank are obliged to fulfil this commitment, for the aspects concerning them, by adhering to the “Integrity Charter” and the rules of the “Code of Conduct”.

Everyone must measure their conduct against the principles set out, seeking continuous improvement and setting an example to colleagues.

In publishing the Group’s “Integrity Charter” and “Code of Conduct”, FinecoBank is setting out and updating the principles and values that its business operations and the rights, duties and responsibilities that it assumes towards all stakeholders must conform to and that it undertakes to respect. They also represent a fundamental guide for business decisions and conduct, and are a key part of our enterprise culture.

By adhering to them and working with excellence and integrity, we will strengthen the Group’s reputation and promote integrated and sustainable economic, environmental and social development.

The Chairman

Chief Executive Officer and General Manager

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Parte I. Introduction

Definition

This document is made up of the Integrity Charter and Code of Conduct of the FinecoBank Group. The Integrity Charter is an asset of the Group, setting out its core values. The Code of Conduct, which replaces the previous code adopted by FinecoBank by resolution of the Board of Directors on July 4, 2017, establishes the basic principles underpinning the conduct of those working for the Bank.

This document accompanies the existing external and internal regulations on banking, investment services and labour relations.

Recipients

The Integrity Charter and the Code of Conduct are guided above all by the strategic direction performed by the Board of Directors, by the work of the Directors and by the coordination and implementation of policies and planned objectives, under the responsibility of FinecoBank's management.

The Integrity Charter and Code of Conduct apply in any event to all those who perform activities on behalf of FinecoBank: members of the Bank's supervisory, management and control bodies, employees, personal financial advisors authorised for door-to-door selling, consultant staff, temporary staff and trainees (the "Recipients").

More specifically, in order to ensure compliance with the provisions of Legislative Decree 231/01 for the prevention of the offences envisaged therein, the Code of Conduct is mandatory in nature and must adhered to by all the Recipients. Any violation may give rise to the initiation of disciplinary proceedings against the offender, which may result in the imposition of a disciplinary penalty commensurate to the seriousness of the violation committed. The system of penalties adopted is duly communicated by means of publication on the company intranet.

The Code of Conduct also contains a number of Supplementary Rules applicable to employees and, where specified, also to directors, statutory auditors, external consultant staff and personal financial advisors authorised for door-to-door selling. The self-regulatory standards contained in the Assoreti and ANASF codes (Attachments 1, 2 and 3) apply in particular to the personal financial advisors authorised for off-site distribution.

Contents

The “Integrity Charter” sets out the principles that we want to serve as guidance and direction in carrying out our work. It provides a framework of values that can be used in the critical moments of our professional life and is intended to act as a point of reference in the management of problematic situations and dilemmas – not always regulated by laws, regulations and internal procedures – and at the same time allowing the expression of individual initiative by valuing the professional capabilities of each person while respecting their individual freedom.

The “Code of Conduct” aims to:

- disseminate a compliance culture by setting out the context in which it operates;
- act as the point of reference for all employees regarding internal policies and procedures.

To this end, the Code of Conduct is divided into sections addressing the:

- general principles of conduct;
- client interest protection;
- market transparency;
- anti-corruption;
- anti-money laundering and financial sanctions;
- data protection.

The “Code of Conduct”, in particular, is one of the measures aimed at guaranteeing the legitimacy and efficiency of the company’s operations and, at the same time, complying with the provisions contained in Legislative Decree 231/01, which introduced the notion of the corporate liability of legal persons.

The Code of Conduct has a number of supplementary rules accompanying the general rules, providing guidance on the conduct required in specific situations, including the rules on how personal transactions in financial instruments should be carried out.

Lastly, the Assoreti Code of Conduct (Attachment 1), the Assoreti Supervisory Code on the activity of personal financial advisors authorised for door-to-door selling (below also “personal financial advisors” or “advisors”) (Attachment 2) and the ANASF Self-Regulatory Code of Conduct for Financial Advisors (Attachment 3) are attached. These documents, drawn up by the trade associations for personal financial advisor networks, deal specifically with their activities. The first attachment sets out the rules of conduct for customer protection, relations between member firms and between member firms and personal financial advisors. The second attachment identifies the indicators of possible anomalies and measures aimed at prompting and directing the intermediaries in their supervision of the personal financial advisor network. The third attachment



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considers all the areas of activity of the advisors, from the relationship with the intermediaries they work for to relations with colleagues and the supervisory authority, placing the customers and their interests at the forefront, both of which form the basis of the ethical framework for the advisors, above any other interests.

Parte II. Integrity Charter of the FinecoBank Group

The Integrity Charter is the result of a process that has involved many actors within the company to arrive at a set of principles, through discussion on the corporate culture, aimed at guiding the conduct of the business.

The Integrity Charter has a deliberately different focus than other documents that may appear similar. In following its own logic, it seeks to engage readers rationally and emotionally by taking them along a common path. The aim is to provide helpful guidance for conduct to be adopted when faced with dilemmas that inevitably arise in daily activities, helping each of us to make responsible and coherent professional choices. The Charter is structured on two levels of reading and interpretation, that are not mutually exclusive and that are interlinked and complement each other. The first considers only the core of the problems. The second level, the matrix, provides opportunities for reflection by pointing out the different implications and behavioural guidance, through linkages between the individual corporate values and categories of stakeholders. It prompts each of us to ask ourselves, for each individual linkage, about our level of agreement and consistency with the guidance offered. The document opens with a few introductory remarks aimed at clarifying the scope of the Charter. The framework that follows clarifies the document's primary objective, which is to indicate a set of values and conduct that bring out the best of all our abilities and initiative, ensuring that the company creates sustainable value over time. Indeed, it is difficult for a company that is overly prescriptive to maintain excellent results, however to avoid individual initiative from generating behaviour that is not consistent with the reputational profile that Fineco seeks, there needs to be agreement on the principles and the resulting conduct.

The Integrity Charter is therefore not intended to constitute an all-encompassing body of rules, because the laws (first sphere of justice) and contractual agreements (second sphere) already set out the scope of the obligations of the individual.

This document, on the other hand, represents a structured system built around a common base of values and conduct to be recognised.

For this reason, it was decided to experiment in our company with a third sphere of justice that gives the parties in conflict the opportunity to "reconcile", through the restorative mediation mechanism, which leads to recognising the error and the offence and identifying the responsibility towards the other party that has been harmed.

With the Integrity Charter, therefore, we do not seek to influence individual values – full respect for cultures is, on the contrary, a key part of our values – but we want our corporate life, and therefore the relations between us and with our stakeholders, to be underpinned by strongly shared common principles, capable of forming a clear Group identity.

INTEGRITY CHARTER

INTRODUCTION

The Integrity Charter of the Fineco Group sets out the principles that we want to serve as guidance and direction in carrying out our work.

It provides a framework of values that can be used in the critical moments of our professional life, and is intended to act as a point of reference in the management of problematic situations and dilemmas – not always regulated by laws, regulations and internal procedures – and at the same time allowing the expression of individual initiative by valuing the professional capabilities of each person while respecting their individual freedom.

The Integrity Charter seeks to:

- propose ways of behaving that help us to regulate our own conduct in the areas of daily operations where potential conflicts may arise between individual morals, business considerations and different cultures
- create cohesion by overcoming conflicts and clashes
- encourage the formation of a common feeling and experience among all the people in the Group.

BACKGROUND

Fineco is an expression of different cultures, which are assets of the Bank and the Group companies. Despite their diversity, they are united by their constant focus on market transformation, their orientation towards the growth of value, their socially responsible behaviour and their appreciation of people and relationships.

FinecoBank's governance style is based on transparent and proactive behaviour. This behaviour represents a valuable asset that the Integrity Charter seeks to preserve and strengthen.

I. Enterprise, freedom and spheres of justice

Enterprises are both complex and imperfect creations. The complexity relates to the variety of actors operating in the enterprise, to the difficulty of maintaining consistency in pursuing common goals in often contradictory economic, political and social situations, and to the need to represent interests that must then be reconciled with the nature and the needs of the environment where the enterprise is based.

This is why, in market-oriented economies, the continuous attempt to reduce the degrees of complexity and imperfection of enterprises also takes place through the definition of regulatory systems and rules of conduct, designed to facilitate a framework of responsible operations.

There are no shortcuts to eliminating complexity and imperfection, instead we need to live with them on a daily basis without preconceptions and closed-mindedness, leaving room for discussion and dialogue, and recognising that unperceived suffering can often occur within large organisations, linked to the invisibility of the individual and their lack of recognition by colleagues, managers and senior executives. For FinecoBank, lowering the level of this suffering and pursuing the ambition to overcome it is a fundamental commitment that must continuously shape our cultures and attitudes, practices and processes. Indeed, the more an enterprise's cultures and rules are a reflection of a focus on the development and well-being of individuals the more it becomes an opportunity for human and professional fulfilment for those individuals. In this respect, the enterprise is a place where freedom of expression is possible.

Regulatory systems, laws and regulations, on one hand, and procedures, contracts, sets of values and internal business customs, on the other hand, constitute a set of rules of conduct aimed at preventing fraud, theft, violence and abuse. It also includes the system of corporate governance. In order to be recognised and obeyed, this set of rules requires dialogue and continuous negotiation with all the social actors and their representatives. These systems thus create a three-tier regulatory framework that the enterprise must continually refer to. It can be represented by the image of three spheres of justice which, while maintaining their individuality with respect to the source of origin, share the ideal aim of seeking to reduce the level of imperfection of the enterprise. Of these three spheres, the first sphere comprises the set of public regulations governing the conduct of the enterprise in its relations with its people, customers, the market, competitors and the environment.

The second sphere of justice comprises all the rules that originate from industrial relations, employment contracts, customs and rules that are codified day after day in the enterprises.

Lastly, the third sphere of justice comprises the set of values reflected in the Integrity Charter. This level does not replace the first two spheres but reinforces them with a view to coexistence and integration of responsibilities. In fact, this is the sphere of personal responsibility that defines the role, duties, expectations and authority of all of Fineco's people, with degrees of increasing significance the more responsibilities they are assigned and the more influence they can exert. This sphere must pay special attention to investors and social and cultural actors who consider they have interests that conflict or cooperate with the enterprise.

II. The foundations of integrity

For us, integrity means recognising a core set of strong values that must guide our daily conduct and help to create a perceived reputation in the market.

To this end, integrity means obeying the rules established by the three spheres of justice described above, not because of fear of penalties, but because we believe that they are the basis for civil “coexistence”.

Integrity must, moreover, coexist with the degree of freedom necessary for people to continue to be inspired by the same individual morals (e.g. religion, philosophical, political, social and sexual orientation), and allow the enterprise to present itself as a space open to cultural and social diversity. Adhering to the value of integrity described above can become a powerful force for cohesion and improvement for all of Fineco’s people when it becomes a shared attitude and is recognised externally as a cornerstone of its reputation.

III. The path to profit in integrity

The Integrity Charter is aimed at the people who work in the enterprise and who contribute, through a key role, to the formation of profit and the development of the enterprise’s relations with society.

Profit is the necessary condition to ensure the continuity and freedom of the enterprise.

However, it is not sufficient in itself, especially over the long-term.

To be so, the creation of profit must also take place in integrity, creating a positive reputation both inside and outside the company.

Integrity guarantees sustainability, which allows profit to be transformed into value for the Group’s people, customers, investors (current or potential shareholders and bondholders), local communities and for society as a whole with which the enterprise seeks to have a constant positive relationship.

The values we define as the foundations of integrity must serve as the source of guidance for our actions – namely:

- Fairness
- Transparency
- Respect
- Reciprocity
- Freedom of action
- Trust

These values must guide the conduct of Fineco’s people towards all parties, including institutional parties such as authorities and public officials. However, they interact above all with the essential players in the production of profit and the chain of social relations, which can be listed as follows:

- The Group's People
- Customers and Suppliers
- Investors
- Local communities

FAIRNESS

Fairness in relation to the Group's People

- The principles of civil liberties, i.e. religious, political, cultural, trade union and sexual orientation freedoms, must always be respected and any related discrimination must be outlawed and replaced by the central role of assessment of people's skills and abilities, and strengthened by a special effort to nurture and integrate the people who join the Group, including through mergers and acquisitions.
- Respect and attention towards people and their needs, irrespective of the hierarchical level, must become key features in the conduct of relations within the enterprise.
- All those working in the enterprise must reject all forms of cronyism and favouritism, both in the processes of recruitment and assessment of career development paths and in incentive mechanisms.

Fairness in relation to Customers and Suppliers

- Means always paying due attention to customers, seeking their satisfaction and placing this value at the heart of our actions, so that the customers themselves, when purchasing products and services, are aware of the risks involved in what they are buying, and understand the value of the product and service they are receiving.
- Impartial conduct in the choice of suppliers must always be maintained, involving all the corporate functions in order to make the relationship with them a competitive advantage for the business.

Fairness in relation to Investors

- Means giving the appropriate attention to each investor, without discrimination or favouritism, in order to make markets increasingly open and competitive.

Equity in relation to Local Communities

- In our relations with stakeholders, we need to be proactive in offering assistance, services and opportunities without discrimination.

- Local development must be promoted through the selection of initiatives that address the real needs of communities and the local area, in keeping with the objective of creating sustainable value.

TRANSPARENCY

Transparency in relation to the Group's People

- Knowledge is an asset of the enterprise and should be transmitted and never monopolised or used to increase our own personal power to the detriment of those at our side, or to the detriment of the enterprise itself.
- At all times during each individual's career, the criteria for judging and assessing them must be communicated to the person concerned. Where confidentiality is deemed necessary, the reasons for this must be made explicit and the boundaries clearly set.

Transparency in relation to Customers and Suppliers

- Means always clearly explaining to customers the characteristics of products and services and the consequences that may result from their purchase, through simple and timely communication.
- The choice of suppliers must be made objectively.

Transparency in relation to Investors

- Communication to the market has both an economic and cultural value and should be practised in a clear, complete and timely manner using the most effective communication channel for each type of investor.

Transparency in relation to Local Communities

- Relations with local communities must be transparent, communicating what Fineco does and how it does it, in the belief that such an approach increases the level of acceptance, citizenship and legitimacy of our presence and our actions.

RESPECT

Respect in relation to the Group's People

- Roles and areas of responsibility must be recognised and clearly defined for all the people in the enterprise.
- Means continuously listening and paying attention to people, respecting their values, sensitivities and moral attitudes without ever resorting to undue pressure and offence.

Respect in relation to Customers and Suppliers

- Means managing and protecting the confidentiality of the information that comes into our possession by virtue of the relationship established with the customers we provide products and services to. This duty also exists towards the business, its assets and its decisions.
- Relations with suppliers must be managed by opening a listening channel that leads to sustaining the most innovative and responsible processes adopted.

Respect in relation to Investors

- Means adopting rules of conduct in relations with investors that are consistent with the values of the enterprise and the professional ethics set out by the best market standards.

Respect in relation to Local Communities

- The economic development of local communities must be pursued with sensitivity and attention to environmental and social sustainability.

RECIPROCITY

Reciprocity in relation to the Group's People

- Means collaborating by sharing information and knowledge to produce value and legitimise our professional identity, overcoming organisational constraints.
- We must commit to actively listening to the needs of colleagues, endeavouring to have a positive influence on our work environment.

Reciprocity in relation to Customers and Suppliers

- Means offering customers returns, satisfaction of needs and reliability, and receiving compensation in exchange.
- We need to be able to listen to the individual needs of each person and translate them into appropriate responses in products and services.
- Means cooperating with suppliers, exchanging skills and information with each other, to enable the business and suppliers to generate value and feel that their identity is recognised.

Reciprocity in relation to Investors

- Means that the enterprise is willing to listen, without prejudice, to the indications that investors give through the established channels.

Reciprocity in relation to Local Communities

- Relations with local areas and the wider communities in which Fineco operates must be built as relationships in which information is given and received, by creating places for dialogue and discussion.

FREEDOM OF ACTION

Freedom of action in relation to the Group's People

- A culture open to the freedom to dissent and the ability to question and overcome hierarchical and bureaucratic conditioning must be guaranteed. Those who do not agree with the dissent must also speak out and assert themselves, however if they hold senior positions they must do so with fairness and respect.
- The freedom for individuals to practice the values of enterprise and the development of their own professional skills must be given expression and legitimacy through the appreciation of different cultures.

Freedom of action in relation to Customers and Suppliers

- We need to learn to manage interpersonal relations on a free and equal basis without subjugation towards the more powerful and without arrogance towards those in weaker positions.

Freedom of action in relation to Investors

- Means pursuing the freedom of action that enables the delivery of promises made to the market without undue constraints.

Freedom of action in relation to Local Communities

- All actions taken in the local communities in which Fineco operates must be guided by full respect for individual moral values and local cultures.

TRUST

Trust in relation to the Group's People

- Means creating a sense of credibility based on keeping your word and being able to recognise an error made in good faith.

Trust in relation to Customers and Suppliers

- Trust can only be achieved through the constant confirmation of our reputation, which is based on the consistent behaviour of our people, the reliability of our products and services over the long term, and the ability to question and change our behaviour and decisions.

- Fineco must constantly work towards aligning its own medium- to long-term interests with those of our customers, to make them understand that we are on their side.

Trust in relation to Investors

- Means seeking to develop long-lasting and ongoing relationships with the financial community, maintaining consistency and credibility and being able to accept feedback from the market.

Trust in relation to Local Communities

- Fineco must strive to establish social and cultural relations in a way that makes reciprocity with local communities a key feature of its actions.

THE INTEGRITY CHARTER						
MATRIX	FAIRNESS	TRANSPARENCY	RESPECT	RECIPROCITY	FREEDOM OF ACTION	TRUST
THE GROUP'S PEOPLE	Banning any discrimination based on sex, age, race, political opinion and trade union membership. Always having respect for and a focus on people. Banning any clientelism in hiring, promotion and incentive systems.	Sharing knowledge without ever monopolising it for our own advantage. Ensuring transparency in career paths.	Clearly defining the roles and responsibilities of all people in the company. Constantly listening and paying attention to people, respecting their values, sensitivity and moral guidelines without ever resorting to forms of undue pressure and offence.	Means collaborating by sharing information and knowledge to produce value and legitimise our professional identity, overcoming organisational constraints. We must commit to actively listening to the needs of colleagues, endeavouring to have a positive influence on our work environment.	Creating an environment where it is possible to exercise the freedom to disagree and the freedom to express thoughts. Offering everyone the opportunity to exercise the values of entrepreneurship and the development of their professional personality.	Keeping our word, recognising the possibility of a mistake made in good faith.
CUSTOMERS AND SUPPLIERS	Always striving for customer satisfaction. Paying relevant attention to all types of customers. Maintaining impartial conduct in the choice of suppliers in order to make the relationship with them a competitive advantage for the business.	Always ensuring timely information on products and services offered. Making the choice of suppliers objectively.	Protecting the confidentiality of the information we come into contact with, either concerning the relationship with customers or with the company, its assets or its decisions. Opening a listening channel that leads to sustaining the most innovative and responsible processes adopted.	Offering returns and security to customers and receiving compensation in exchange. Listening to needs in order to turn them into products and services. Promoting cooperation with suppliers, to enable the business and suppliers to generate value and feel that their identity is recognised.	Managing interpersonal relations on a free and equal basis without subjugation towards those in weaker positions.	Building trust through conduct that consistently upholds our reputation.
INVESTORS	Giving appropriate attention to each type of investor, without discrimination or favouritism, in order to make markets increasingly open and competitive.	Making communication to the market an economic and cultural value, seeking to be clear, complete and timely by using the most effective communication channel for each investor.	Adopting rules of conduct in relations with investors that are consistent with the values of the enterprise and the professional ethics set out by the best market standards.	Listening, without prejudice, to the indications that investors give through the established channels.	Pursuing the freedom of action that enables the delivery of promises made to the market without undue constraints.	Seeking to develop long-lasting and ongoing relationships with the financial community, maintaining consistency and credibility and being able to accept feedback from the market.
LOCAL COMMUNITIES	Engaging with stakeholders in a meaningful way, offering assistance, services and opportunities without discrimination. Promoting local development by supporting initiatives that focus on the real needs of the community.	Wherever we are present locally, making people aware of what we do and how we do it.	Promoting development that is environmentally and socially sustainable.	Creating places for discussion and dialogue where we can enhance our legitimacy and reputation through mutual exchanges of information.	Respecting individual moral values and local cultures when operating in local areas.	Establishing social and cultural relations with local communities that make reciprocity a key feature of how we act.

Parte III. FinecoBank Code of Conduct

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1 INTRODUCTION

1.1 PURPOSE, APPLICATION AND CONTENTS

This Code, which replaces the previous version issued in 2017, supplements the Integrity Charter and sets out the principles that all Employees of the FinecoBank Group (below also the “Group”, “Fineco” or the “Bank”) and related Third Parties must adhere to, in order to ensure high standards of professional conduct and integrity in the performance of the activities carried out in or on behalf of Fineco. This Code should be read in conjunction with the other policies and procedures issued by Fineco that provide more detail on the principles set out in this Code. The Code, the Integrity Charter and the above-mentioned policies and procedures form a regulatory framework, aimed at ensuring that the Recipients are aware of the expectations of the Group and its Stakeholders regarding their conduct.

The Code is not intended to be an exhaustive guide to all applicable regulatory obligations, but is intended to promote a culture of compliance by providing an overview of the compliance regulations and the ethical and professional standards in the industry.

The following document must be accessible to all the Recipients and the public, always through approved and official Group communication channels.

Compliance with the provisions of this Code, within the above-mentioned regulatory framework, is an integral part of each Employee’s contractual obligations. Excerpts from this Code of Conduct may be included in contractual agreements with third parties.

Compliance with (or violation of) the contents of this Code is one of the factors to be taken into account in the management assessment of individual performance, in accordance with Fineco’s related internal rules.

Violations by Employees or conduct not in line with the obligations arising from this document, under the above-mentioned regulatory framework, may give rise both to disciplinary action by the Human Resources function, in accordance with the procedures laid down by each person’s employer, and to financial and administrative penalties in accordance with local regulations, as well as legal proceedings, where envisaged by law.

Serious violations of the provisions of this Code and of the local laws and regulations referred to in the Code may result in termination of employment.

Violations by Personal Financial Advisors or conduct not in line with their obligations arising from this document, under the above-mentioned regulatory framework, may result in disciplinary action by the Bank, in accordance with its procedures, as well as financial and administrative penalties in accordance with local regulations, and legal proceedings where envisaged by law.

Serious violations of the provisions of this Code and of the local laws and regulations referred to in the Code by Third Parties may result in termination of the relationship with the Bank.

1.2 RECIPIENTS

The Code applies to all the people connected to FinecoBank by means of an employment contract, to all members of the executive, strategic and control bodies (below, jointly, the “Employees”), as well as the personal financial advisors authorised for door-to-door selling outside the Bank (below also “PFAs”). In addition, through a separate agreement, it also applies to Third Parties (individuals or legal entities connected to Fineco through a formal agreement, such as suppliers, business consultants, agents, and seconded workers).

1.3 RESPONSIBILITIES

Fineco’s Board of Directors, Chief Executive Officer and General Manager, as well as the rest of Fineco’s Top Management, are responsible for creating and spreading a culture of risk management within the organisation and for ensuring the supervision of the required conduct. To this end, they play an active role in enforcing the standards of conduct described in the Code.

The Parent Company and all the Group Companies must:

- implement the Global Policy;
- inform all Employees and PFAs about the publication/approval of the global policy and its contents;
- effectively and periodically promote the contents of the global policy within their organisation;
- include the *Principles of professional conduct* of this global policy (Chapter 2) as an essential part of the contractual obligations that Employees are bound to in the performance of their work;
- oversee the application of the global policy and ensure that the assessment and disciplinary processes for Employees and PFAs are implemented taking into account their conduct, in accordance with the provisions of this Code, under the regulatory framework already mentioned in paragraph 1.1;
- provide regular mandatory training to all Employees and the PFAs on the content of this global policy to ensure minimum standards of awareness;
- where considered necessary, include parts of this Global Policy in the clauses of the contracts signed with Third Parties.

1.4 CONTACTS AND GLOSSARY

Contacts

For clarifications regarding the content of the Code and/or the regulatory provisions referred to, please contact your local function (e.g. the Compliance function for compliance regulations and other general questions relating to the Code, the Human Resources function for labour-related matters, etc.).

Glossary

The following definitions shall apply for the purposes of this Code:

Market abuse and manipulation: Any conduct in relation to financial instruments admitted to trading on a market (or for which a request for listing has been made) that involves insider trading, improper disclosure of inside information, misuse of information, manipulative transactions, manipulative devices, dissemination of information likely to give a false or misleading impression, or misleading conduct, or market distortion. Market Abuse can be both a criminal and civil offence.

Antitrust: Legislation that ensures market competition in an open market by regulating anti-competitive behaviour by companies. It prohibits agreements or abusive conduct that restrict free trade and competition, ensures that consumers benefit from low prices, higher quality products and services, greater choice and ultimately more innovation.

Authorities: Local and international supervisory organisations, regulators, public/state authorities such as governments and their representatives, and legal authorities.

Parent Company: FinecoBank S.p.A. (below also “Fineco”).

Customer: A group or individual that uses Fineco’s services.

Bribery and Corruption: Promising, offering, giving, expecting, soliciting, accepting or receiving monetary or other benefits, for the purpose of influencing the recipient, in order to secure an undue advantage for the provider.

Unacceptable Conduct: Any action, or failure to act, during the work carried out and in connection with it, relating to Fineco’s Stakeholders, which is or could be damaging or endanger the Group and/or its Employees. This includes conduct that is:

- illegal;
- improper or unethical (regardless of what is considered correct in the sector of operations, conduct that may deliberately disadvantage one or more stakeholders)
- violations of laws or regulations; or
- failure to comply with internal regulations.

Conflicts of Interest: The term Conflicts of Interest refers to all situations involving the Group, its Employees and/or Stakeholders, in which the Group or one of its Employees is in a position to exploit a professional capacity or official role in some way to obtain an undue advantage, either personally or for the Group (or also potentially to the detriment of the Group) to the detriment one or more customers or groups of Stakeholders. A conflict of interest may exist whenever there is a perception of potentially improper conduct capable of undermining trust in the Group, even in the absence of inappropriate or otherwise unethical conduct.

Data Protection: Legal framework governing the collection, management, storage and use of personal information in accordance with an individual’s rights, freedoms and dignity. It refers in particular to confidentiality, personal identity and the right to protection of personal data.

Data Security: Implementation of technological and organisational security measures to protect the confidentiality, integrity and availability of data and the rights and interests of the data subject/owner.

Recipients: Employees, PFAs and Third Parties (both individuals and companies) connected to Fineco or the Group Companies through formal agreements (e.g. suppliers, business consultants, agents, seconded workers, etc.).

Employees: All people employed under a contract of employment and all members of the executive, strategic and control bodies of Fineco/Group Companies.

Political Donations: Any donation made on behalf of or in the name of the Group, either in cash or in kind, to support a political cause. Donations in kind may include offers of goods or services, advertising or promotional activities in favour of a political party, the purchase of tickets to fundraising events, donations to research organisations closely associated with a political party and the provision of employees without remuneration for carrying out political propaganda or for campaigns for political office.

High professional standards of conduct: Principles regarding organisational values and principles which, when implemented, promote trust, proper behaviour, fairness and integrity.

Group: “The Group” refers to FinecoBank S.p.A. together with the Group Companies.

Confidential Information: Any information relating to Fineco and the Group Companies, or its Stakeholders, which is not or will not be made available to the public at the date of its disclosure or use and which has been received/obtained in written, verbal or other form in the course of the performance of their contractual duties by the Recipients, acting in the name/on behalf of Fineco.

Know Your Customer: Due diligence that the Group must perform to identify its Customers and check the relevant information needed to conduct business with them.

Misselling: Deliberate, reckless or negligent sale of products or services in circumstances where the potential customer is misled about the characteristics of the product, or the product or service is not suitable for the customer’s needs.

Mobbing: Examples of mobbing that undermines the dignity of colleagues include the following: spreading falsehoods and gossip, violation of an individual’s personal life, assignment of unnecessary tasks or unjustified demotion, verbal violence or humiliation, threats with physical violence, social isolation or continuous and unfair criticism of someone’s performance. Mobbing can occur both between and within hierarchical lines.

Money Laundering and Terrorist Financing: Money laundering is the activity of concealing the unlawful origin of the proceeds of crime by creating the appearance of a legitimate origin. Terrorist financing refers to the provision or collection of funds, by any means, either directly or indirectly, with the intention of their being used, or in the belief that they will be used, in whole or in part, to carry out acts of terrorism or to provide support for individuals or groups of individuals that seek to carry out such acts.

Financial Sanctions: Restrictions imposed on business relationships with countries, companies and individuals, that include the application of Financial Sanctions by the European Union (EU),

the United States (“US”) Office of Foreign Assets Control (“OFAC”), and the United Nations (UN), and under any national regulations in countries where the Group Companies are located.

Group Company: Company directly or indirectly controlled by FinecoBank S.p.A (below also “Group Companies” or “Companies”).

Stakeholders: Customers, investors, and regulators.

2 PRINCIPLES OF PROFESSIONAL CONDUCT

2.1 GENERAL PRINCIPLES OF CONDUCT

2.1.1 Legal compliance and managerial responsibility

The Recipients must adhere to and promote high standards of professional conduct.

The Recipients must act in accordance with FinecoBank Group’s values, applicable laws and regulations, industry professional standards and internal regulations. The Recipients must show competence, diligence, respect and ethical conduct in their relations with Fineco’s Stakeholders.

The Recipients must avoid any inappropriate or seemingly inappropriate conduct and must protect the reputation and sustainability of Fineco’s business.

All Group Employees have a duty to be aware of the responsibilities arising from their role within the Group and must carry out their work with professional discernment and judgement.

Employees must:

- understand and comply with the applicable laws and the internal and external rules and regulations governing their professional activity, with the support of their employer;
- complete and successfully pass the compulsory courses and training activities assigned by the employer, within the deadlines set;
- with the support of the employer, continuously improve their knowledge of the products, services, internal processes and procedures related to their activities;
- ensuring the proper and timely performance of the activities within their remit and under their supervision, with an appropriate sense of personal responsibility and ethics.

All Employees must be aware of the legal, regulatory, security and reputational risks and deal firmly and appropriately with any issues that may damage the sustainability of the Group’s business or its reputation. All Employees who are managers responsible for coordinating other staff must ensure that the activities under their supervision are conducted in accordance with the applicable laws and internal regulations (such as this Code) and that the Employees under their supervision fulfil their obligations and conduct themselves in a professional and ethical manner.

Managers should encourage the development of an environment of open discussion of risks and errors, which allows for concerns to be raised. They are not allowed to use intimidation and retaliation, and obstructing the equal professional development opportunities of Employees who, in good faith, report unacceptable, known or suspected conduct, or conduct contrary to the principles of this Code of Conduct.

2.1.2 Whistleblowing

If Employees have a reasonable suspicion that Unacceptable Conduct has occurred or may occur, it must be reported promptly. In this respect, the Bank has implemented a specific Group policy, on Whistleblowing, which sets out the reporting procedures and the measures to protect the whistleblower.

2.1.3 Confidentiality

The Recipients must treat confidential information with care, refrain from sharing it with third parties, and refrain from discussing it in public or even within the Group in circumstances not strictly related to business purposes or not covered by the “need-to-know” principle. The Recipients must ensure that confidential information is only disseminated in accordance with the existing internal regulations.

2.1.4 Working environment

The Recipients shall foster a serene, safe and non-discriminatory working environment. They must treat others with dignity and respect and under no circumstances must they carry out or tolerate discrimination or harassment based on age, race, colour, nationality, citizenship, political opinions, religion, marital status, gender, sexual orientation, sexual identity, disability and any other type of condition not mentioned here.

The Recipients shall not tolerate or engage in mobbing and harassment.

The Recipients shall benefit from and must promote an environment of equal opportunities for professional development.

The Recipients must ensure compliance with the criteria of objectivity, competence, professionalism and equal opportunities, without any favouritism during the selection, evaluation, professional advancement and other processes of development of individuals, in order to ensure selection based on the best available professional skills and integrity.

2.1.5 Protection of the environment and human rights

The Recipients must carefully consider the impacts of their professional decisions and activities on the environment and human rights. They must act responsibly and adhere to the Group’s commitment and its rules.

The Recipients are required to comply with the general principles set out in the Group's **Environmental Policy**, i.e. the document that formalises Fineco's overall intentions and approach relating to its environmental performance, including compliance with all legal requirements relating to the environment and the commitment to continuous improvement of its environmental performance.

The general principles and main areas of action set out in the Environmental Policy are consistent with the environmental commitments arising from the signing of the UN Global Compact Principles, as well as being aligned to the UN Sustainable Development Goals.

The Fineco Group operates in accordance with the UN Universal Declaration of Human Rights, which states that "every individual and every organ of society, including companies, shall strive by teaching and education to promote respect for human rights and freedoms and by progressive measures, national and international, to secure their universal and effective recognition and observance".

The Group's Human Rights Commitment is based on the generally accepted declarations and conventions, standards, principles, guidelines and recommendations, considered essential in defining its values, including the:

- Universal Declaration of Human Rights
- Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework
- International Covenant on Civil and Political Rights
- International Covenant on Economic, Social and Cultural Rights
- Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy
- International Labour Organisation (ILO) Conventions on fundamental human rights
- OECD Guidelines for Multinational Enterprises
- Principles of the UN Global Compact, of which FinecoBank is a signatory
- UN Principles for Responsible Investment (UN PRI), of which Fineco Asset Management is a signatory
- Statement by financial institutions on the environment and sustainable development of the United Nations Environment Programme Finance Initiative (UNEP FI)
- Women's Empowerment Principles.

2.1.6 Protection of information assets and computer and electronic resources

Information assets and computer and electronic resources are essential for the proper and competitive conduct of the business, ensuring the speed, extent and correctness of the information flows necessary for the efficient management and control of business activities.

More specifically, the Recipients are required to use information and computer and electronic resources exclusively for legitimate business purposes in compliance with the applicable legislation and company procedures, without compromising their availability, integrity, accessibility and security.

They must therefore:

- only access the areas or systems for which they have been expressly authorised in relation to their assigned work duties, in accordance with the principles of least privilege and separation of roles;
- support all activities aimed at reinforcing the confidentiality, integrity and availability of information and computer and electronic resources;
- make sure that they do not hinder the implementation of the organisational and technical procedures and activities put in place by the company to prevent and detect any form of breach of the security of computer and electronic resources;
- strictly obey the rules laid down for the diligent management and safekeeping of credentials for access to computer and electronic resources and company devices;
- safeguard computer and electronic resources appropriately, using them exclusively for work-related purposes.

Computer and electronic communication systems (e.g. email, web conferencing tools, instant messaging,...) are to be considered working tools and therefore electronic communications for personal or non-business purposes must be kept to a minimum and must not compromise work performance or the protection of the company's sensitive and/or confidential information.

All the Recipients are prohibited from illegally entering into computer or electronic systems; destroying, damaging, deleting or altering the functioning of computer or telecommunications systems, in any way, by interfering without authorisation in any manner with the data, information or programmes contained in the system; producing forged or altered computer documents; installing equipment designed to intercept, prevent or interrupt communications from a computer system or between several systems; and misappropriating, copying, disseminating and unlawfully handing over codes, passwords or other means of access to a computer or telecommunications system.

Under no circumstances shall the Group's assets be used for the purpose of disseminating or storing any illegal, discriminatory, abusive, defamatory or inappropriate material.

The Recipients must actively prevent any action or conduct that is not permitted or does not comply with the existing regulations, and must promptly report such action or conduct to the competent corporate functions.

2.1.7 Intellectual property

The Recipients, within the scope of their duties or functions, are required to comply with the existing laws and regulations on the protection of copyright and intellectual property. Among other things, with regard to the Group, they must respect its intellectual property, information systems, devices, manuals and videos, knowledge, processes, technology, know-how and, in general, everything that has been developed or created within the Group.

Unauthorised copying of personal computer software

Unauthorised duplication and possession of unauthorised copies of software or manuals in violation of the related licence agreements is prohibited. It is forbidden to install and/or use

software programmes on the Bank's personal computers, without the authorisation of the ICT Function and to use personal computers containing unlawfully copied or unauthorised software on the Bank's premises and in any event for business purposes. Any authorisation to install/use software programmes on PCs must be requested from the designated office¹. Each manager is required to make their consultant staff aware of the problems relating to the unauthorised duplication of software and to ensure that this practice does not take place. If the head of any organisational unit becomes aware of any illegal use of software, he/she must inform the ICT Functions³.

If you have any doubts regarding making copies of software, you should contact your manager, who will then make a request to the ICT Function³.

Pursuant to the provisions of the law on software protection (see Article 171-bis of Law no. 633 of 22 April 1941), persons involved in the illegal reproduction of software programmes may be subject to civil law claims for damages and also to criminal penalties, i.e. a fine or imprisonment, in addition to disciplinary measures. Consequently, FinecoBank employees and personal financial advisors who make, acquire or use unauthorised copies of software programmes may be subject to disciplinary measures.

2.1.8 Brand and Communications

The Recipients are not allowed to disseminate information or issue statements on behalf of the Fineco Group without express authorisation.

The Recipients must ensure that their internal and external communications (whether made on behalf of the Group or in relation to the work performed in or for the Fineco Group) are truthful, accurate and correct and made in compliance with the applicable laws, legislation and internal regulations.

The Recipients must use the name and/or images of the Fineco brand and Group Companies in accordance with the internal rules and guidelines on brands, in a respectful manner and always in good faith.

Third parties may publicly associate their name and brand with those of Fineco Group in the context of their professional activities carried out in or for or on behalf of Fineco and/or the Group Companies, subject to prior authorisation.

2.1.9 Relations with the Authorities

Communications and any other relations with the Authorities are restricted exclusively to the competent functions of the Bank (according to the powers assigned by the Internal Regulations) and must be based on the principles of transparency, integrity, professionalism and cooperation and must be carried out in strict compliance with the applicable laws and internal regulations of Fineco/Group Companies.

By way of example, when interacting with the Authorities, Employees must not:

¹ For FinecoBank, requests must be addressed to officeteam@fineco.it

- provide false or misleading information;
- conceal or omit important facts or information; or
- provide false or altered data.

2.1.10 Taxation

Employees, when acting on behalf of Fineco and the Group Companies, must not engage in transactions, investments, products and other initiatives with the intent to evade and/or avoid taxes, or to obtain undue tax advantages in violation of the law.

Employees must only engage in activities that are supported by genuine business purposes and economic substance and are not allowed to engage in transactions aimed at circumventing tax laws, or obtaining tax reductions and/or refunds that would not otherwise be due.

Information provided to tax authorities and other relevant bodies must be complete, accurate, truthful and transparent. It is forbidden to delay and obstruct the activities of those authorities in the course of tax audits or inspections.

Tax returns and any other obligations required by tax legislation must be completed correctly and on time in order to avoid penalties.

2.1.11 Conflicts of interest

The Recipients are required to act impartially and objectively and to avoid finding themselves in circumstances of actual or potential Conflict of Interest that may: compromise their independence of mind and choice; be incompatible with their duties; damage the Group's interests or reputation. The above also refers to relations with all counterparties and Customers, including suppliers and public authorities.

The Recipients shall make decisions related to the activity carried out within or for or on behalf of the Group independently and exclusively based on well-founded professional assessments and ethical criteria and must not be influenced by family ties, acquaintances with Third Parties or other personal interests.

Employees and PFAs are required to disclose personal interests, e.g. company positions or interests in non-Group companies or external engagements, to enable the employer to identify and manage conflicts that may arise between the Employee/PFA and the interests of the Group or its Stakeholders. The Recipients holding a position that may influence their work activity must inform their employer and agree on the most correct way to manage such a situation, so that it does not interfere or conflict with the activity carried out for the Group in terms of time, commitment and use of information and company assets.

The Recipients must also report the interests of their close family members if they have the power to influence the outcome of a transaction and those family members may directly or indirectly benefit from it.

Goods or services may only be purchased or received from Customers or Third Parties for personal or professional reasons at market conditions and prices.

2.1.12 Termination of the relationship with FinecoBank

The Recipients are expressly prohibited from transferring, retaining or continuing to use assets and/or other information (including data, documents, etc.) belonging to the Fineco Group from the time of termination of employment or any other contractual relationship with Fineco. The Recipients are required to respect the Group's intellectual property.

If the Recipients are in possession of confidential information belonging to the Group, also after termination of the contractual relationship, they are not allowed to share it, unless officially requested to do so by the Group or Public Authorities. The Recipients must refrain from making personal investment decisions based on the information in their possession.

2.2 CLIENT INTEREST PROTECTION

Employees, PFAs and Third Parties, when acting on behalf of Fineco or the Group Companies, shall do so with due diligence and necessary professionalism in all dealings with Group customers. They must always act for the benefit of the Group's Customers, taking their interests first and foremost into account, in compliance with applicable legislation and internal regulations.

The Recipients acting on behalf of Customers must always have specific authorisation to do so. In any event, Employees and PFAs must not have direct access to, or otherwise have powers to give instructions on customer accounts, except in the case of family members or their equivalent.

Proxies or agents of investors

1. The Bank is prohibited from entering into contracts, establishing relations, executing instructions or carrying out transactions with investors who intend to use proxies or agents for that purpose if they are directors, statutory auditors, employees, consultant staff or personal financial advisors of the Bank.
2. The prohibition set out in paragraph 1 shall not apply where the investor is the spouse or cohabiting partner, relative or relative-in-law up to the fourth degree of kinship of the proxy or agent.
3. The directors, statutory auditors, employees, consultant staff or personal financial advisors of the Bank are prohibited from accepting the proxies and agent mandates referred to in paragraph 1.

2.2.1 Fair Dealing and Misselling

Advertising material, commercial information and advice to customers must always meet the requirements of impartiality, objectivity, and transparency and be based on assessments of a financial nature.

Employees and PFAs shall refrain from selling products or services if, either deliberately or negligently, the contract has been misrepresented or the product or service is not suited to the customer's needs and risk appetite.

2.2.2 Information to Customers

The Recipients shall handle the information and the relationship with the customers in a confidential manner and shall only disclose that information when permitted by law or with their express consent.

The internal sharing of customer information must be based on official Group processes, and always in compliance with the applicable legislation and the need to know principle.

2.2.3 Preferential treatment

The Recipients shall refrain from giving unlawful preferential treatment to individual customers.

2.2.4 Customer needs

The Recipients are expected to take appropriate action in order to understand the needs and expectations of the customers. The Recipients shall identify financial solutions consistent with the needs of the Customers.

2.2.5 Customer complaints

The Recipients shall handle Customer complaints seriously, impartially and promptly.

2.2.6 Investment services provided on a discretionary basis

Investment advice, after gathering sufficient information, shall be based on an appropriate verification and assessment of the Customers overall financial situation, investment experience, loss tolerance and risk tolerance, as well as their investment objectives.

When providing portfolio management services, the Recipients shall only execute transactions that are consistent with the established objectives and portfolio constraints of each Customer.

The Recipients shall disclose information on the performance of the portfolio management ensuring that it is fair, accurate and complete. The Recipients shall refrain from promising or guaranteeing future results or returns on investments, except where these are contractually defined.

2.3 MARKET TRANSPARENCY

2.3.1 Market manipulation

Employees shall refrain from engaging in practices that distort prices or artificially increase transaction volumes with the intention of manipulating the market.

2.3.2 Insider information

Employees in possession of information of a precise nature, which has not been made public, directly or indirectly concerning one or more listed financial instruments (or their issuers), which, if made public, could have a significant influence on their market prices, must not act (communicate or use it to carry out transactions for their own benefit or for the benefit of others) or encourage others to act, on the basis of that information.

2.3.3 Antitrust

The Recipients are required to know and comply with competition law. They must not:

- negotiate agreements on prices, products or services or allocations of market shares with competitors;
- enter into agreements which force a Customer/counterparty to have an exclusive relationship with the Group or which restrict their ability to do business with competitors;
- enter into agreements with third parties involving price restrictions; or
- participate in meetings with competitors in which information is exchanged that could reveal future conduct or strategies, or in which they could unlawfully or unduly acquire information about the market or competitors.

2.3.4 Agreements with competitors

Employees shall refrain from discussing or collecting and using confidential information about competitors and from passing such information on to third parties.

2.3.5 Personal Dealing

The Recipients are not allowed to use Customer or Third Party information, acquired in the course of their work for Fineco Group, to carry out personal transactions or obtain any personal benefit. They must avoid making personal investments that may result in a reputational risk or conflict with a Group interest or involve the use, misuse or undue disclosure of confidential information relating to Customers and/or their transactions.

Employees are expected to carry out transactions in financial instruments in a responsible and reasonable manner, consistent with their financial resources, favouring long-term investments over speculative activities, in accordance with the applicable legislation and internal regulations.

Personal transactions

1. The Bank's directors, statutory auditors, employees, external consultant staff and personal financial advisors are not allowed to use confidential information received from investors or otherwise available to them by virtue of their functions, in order to carry out personal transactions, including through nominees.

2. The persons referred to in paragraph 1 are prohibited from carrying out counterparty transactions with customers on financial instruments for their own account, including through nominees.

3. Employees must also comply with the provisions of this Code for transactions carried out in their personal capacity with other intermediaries.

4. Personal transactions in financial instruments must not in any way distract the employees from their work. The Bank also discourages speculative trading by employees. To this end, it is recommended not to carry out more than 60 transactions per month². In any event, employees are not allowed to trade in derivative financial instruments except for hedging purposes, apart from those prohibited under the applicable regulations³. Where transactions in derivative financial instruments are ordered and executed, the Bank reserves the right to request clarifications and any documentation proving the purposes of the hedging. Violation of the above provisions may expose the employee to disciplinary action.

5. In particular, personal financial advisors are prohibited from entering into transactions through nominees and from entering into lending transactions (either as a creditor or debtor) with customers.

6. All accounting transactions relating to investment services that also involve entries on accounts of which the employee is the holder, joint holder or proxy – except for those given via the online trading service – must be carried out by another employee.

7. To prevent situations of conflict of interest or misuse of confidential information, personal transactions in listed securities and related financial instruments (derivatives and any other normally traded instrument that allows the acquisition of the same shares) carried out by directors, statutory auditors, employees, personal financial advisors and consultant staff of FinecoBank may be monitored.

8. Failure to comply with the above paragraphs by the persons referred to in paragraph 1 may result in:

- for employees, personal financial advisors and external consultant staff, the initiation of the disciplinary procedures envisaged by the contractual rules in force. With regard to breaches of the requirements set out in paragraph 4 in particular, the Bank reserves the right to temporarily suspend the trading operations of the employees involved;

- for members of the Board of Directors and the Board of Statutory Auditors, the adoption by the Board of Directors and/or the Board of Statutory Auditors of appropriate measures consistent with the seriousness of the violation and in accordance with the powers provided for by law and/or the Articles of Association, such as:

- declarations in the meetings minutes;
- formal notice;
- deduction of fees or remuneration;
- revocation of the engagement;
- request to convene or call a meeting with an agenda containing the discussion of appropriate measures against the persons responsible for the violation.

It may also lead to administrative penalties imposed by the supervisory authority in accordance with the applicable legislation.

² Transactions initiated in execution of investment proposals made by a personal financial advisor are excluded from these limits.

³ In accordance with Bank of Italy Circular 285 (Part One - Title IV - Chapter 2 Remuneration and incentive policies and practices - Section I - General provisions): "Banks must require their staff, through specific agreements, to refrain from using personal hedging strategies or insurance on remuneration or other aspects that may alter or undermine the risk alignment effects embedded in the remuneration arrangements."

The Bank shall be jointly and severally liable for payment of the financial sanctions and shall be required to the exercise of the right of recourse against the persons responsible.

9. The persons referred to in paragraph 1 must comply with the provisions of this Code also in the case of transactions carried out on a personal basis with other intermediaries, while transactions carried out on the basis of a portfolio management mandate shall be excluded from these rules if those persons waive their right to give specific instructions.

2.4 ANTI-CORRUPTION

The Recipients are prohibited from any conduct that may constitute bribery and/or corruption, regardless of whether the counterparty is a public official or a natural person acting on behalf of a company or as a result of a relationship of trust, of their nationality and of the place where the act is committed.

Attempting, encouraging, aiding and/or abetting bribery and corruption is also unlawful and prohibited.

The Recipients may not request, receive, offer or be involved in any way in payments aimed at obtaining benefits of any kind.

In the context of a business relationship, the Recipients may only offer or receive gifts, entertainment, hospitality if they are of reasonable and proportionate value. These circumstances must not represent undue influence in current or future business relations.

It is not permitted to: offer, promise, or give (either directly or indirectly) gifts, entertainment, hospitality or any other benefit to foreign or domestic public officials, except where local procedures allow for approval by the compliance function.

Gifts in cash or equivalent forms are prohibited.

Third parties must comply with the anti-bribery/corruption principles set out in this Code of Conduct.

The Recipients shall enter into or maintain business relations with a Third Party on the basis of good knowledge of the partner and only where there is a legitimate purpose.

The Recipients shall make donations and sponsorships on behalf of, or in the name of the Fineco Group, in good faith and for legitimate purposes, and not as an inducement to obtain any business advantage.

The Recipients are prohibited from making or endorsing Political Donations on behalf of, or in the name of the Group.

The Recipients are not allowed to offer employment contracts, including part-time, fixed-term contracts and career promotions, to exert undue influence and must always act in accordance with the standard competitive recruitment processes.

Choice of suppliers

The purchase of goods or services must be made on the basis of an objective assessment of the characteristics of the deliverables in terms of quality, price, service and reliability of the supplier.

2.5 ANTI-MONEY LAUNDERING AND FINANCIAL SANCTIONS

2.5.1 Anti-Money Laundering and Anti-Terrorist Financing

The Recipients must not support or facilitate money laundering and terrorist financing. They must take reasonable care not to inform (either deliberately or otherwise) those suspected of money laundering or terrorist financing about their status.

Employees and PFAs must:

- know and comply with Fineco's "Know Your Customer" rules and the Group's anti-money laundering guidelines as implemented at local level;
- always be on guard and critically analyse customers and transactions;
- raise concerns and report suspicions related to money laundering and terrorist financing in good time in accordance with the reporting processes implemented in their Group Company.

2.5.2 Financial Sanctions

Employees and PFAs are strictly prohibited from entering into, supporting or facilitating business relationships or activities with natural or legal persons subject to sanctions by the United Nations, the European Union or the United States, and with countries subject to sanctions by more than one body (Broadly prohibited countries).

Employees must:

- have the means to be aware of the provisions set out in the Financial Sanctions Policy and related Group regulations on Financial Sanctions and the Screening of Payments and Customers;
- pay particular attention to changes in the regulations on Sanctions and the immediate consequences these have on the business activity;
- be alert to issues related to occasional financial sanctions and the involvement of sanctioned parties or countries when renewing or assessing business arrangements;
- immediately report concerns in accordance with the internal regulations.

2.6 DATA PROTECTION

The Recipients shall use, access, store, transfer, delete and disseminate information belonging to the Group with care and always according to the principle of confidentiality.

They must suitably protect information belonging to the Group, including Customer data, from loss, destruction and unauthorised access or use.

The Recipients are required to maintain the confidentiality of any non-public information that they become aware of for reasons connected with their duties or in the working environment and to use that information solely for the performance of their duties. They must handle that information in



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accordance with the applicable regulations and the Group guidelines on the protection and use of that information.

Attachment 1 – Assoreti Code of Conduct (edition of 02.04.2020)

Part I

The substantive rules

Title I

General principles

Article 1 – Definitions

For the purposes of this Code, and unless otherwise expressly stated, the following definitions shall apply:

- *Code*: this Code of Conduct;
- *investment services*: investment services as defined in Legislative Decree no. 58 of 28 February 1998 (below “Consolidated Finance Act”);
- *investment advisory service*: the investment advisory service as defined in the Consolidated Finance Act;
- *independent advice*: independent advice as defined in the Consolidated Finance Act;
- *accessory services*: accessory services as defined in the Consolidated Finance Act;
- *financial products*: financial products as defined in the Consolidated Finance Act, including structured deposits and insurance investment products;
- *Personal financial advisor authorised for door-to-door selling*: personal financial advisor authorised for door-to-door selling as defined in the Consolidated Finance Act, included in the Register of Personal Financial Advisors;
- *Association*: Assoreti;
- *Member*: any company registered with the Association, also at a date after the approval of the Code and the subsequent amendments;
- *Customer*: the natural or legal person or the company or entity without legal personality receiving the investment and accessory services provided by the Members, as well as recommendations on investment in financial products through personal financial advisors authorised for door-to-door selling;
- *conflict of interest*: a situation, however arising, of total or partial conflict, either direct or indirect, between the interests of the Customer and the interests of the Member and/or of the Personal financial advisor authorised for door-to-door selling;
- *personnel*: personnel as defined in the Consolidated Finance Act, who provide advice to customers, including Personal financial advisors authorised for door-to-door selling.

Article 2 – General rules of conduct

The activities of the Members shall be carried out in a professional manner and according to the principles of good faith.

Even if not expressly contemplated by the Code, any conduct contrary to the rules set out in the paragraph above shall in itself constitute a violation subject to penalties according to the seriousness of the act and its consequences.

Failure to comply with the rules laid down in the Code is in any event a punishable violation, even if the act does not constitute an offence under government legislation or if the Control and Supervisory Bodies have not taken action in relation to it.

The Code – which purely related to matters of ethical conduct – does not interfere in any way with the relations between the Members and their customers. Accordingly, no customer right or claim can be based on failure to comply with a provision of the Code.

Article 3 – Nature of the violation

Any violation of the rules of the Code and any behaviour contrary to the rules of conduct shall constitute an offence against the image and honour of the Association and its Members, even if that violation and behaviour have not caused actual harm to other Members or a Customer.

Article 4 – Principle of liability

Each Member shall be jointly liable for the conduct of their Personal financial advisors authorised for door-to-door selling.

Each Member shall be liable for the conduct of their Personal financial advisors authorised for door-to-door selling, even if in carrying out that conduct those Personal financial advisors have made use of the cooperation of third parties, even only partially.

For this liability to exist, it is sufficient for the Member to objectively and knowingly obtain an advantage, even if not in terms of immediate economic benefit, from the conduct of its Advisor or the third party.

Title II

Rules of conduct

Section I

General guidelines for conduct

Article 5 – Activities of the Members

The provision of investment and accessory services, as well as recommendations on investments in financial products through personal financial advisors authorised for door-to-door selling, must be carried out in accordance with the rules of truthfulness, honesty and transparency, through:

1. a) the precise and appropriate use of the typical legal or business names and the related reference documents;
2. b) the precise and appropriate use of offering documents and agreements relating to the financial products and investment services recommended, offered or negotiated;
3. c) the use of freely available and communicable information, and therefore excluding information of an inside, private or confidential nature;

c-bis) the inclusion of environmental and social sustainability and governance factors in the advisory process;

c-ter) clear indication to the Customer of the characteristics, also in terms of costs, charges and incentives, of the investment and accessory services provided, including whether advice is provided on an independent basis, as well as the financial products;

c-quater) the use of any information on the Customer, also additional to what can be acquired through a standardised questionnaire, necessary to better understand the Customer's needs and objectives, including in relation to environmental and social sustainability and governance, towards which the choice and provision of services should be directed, as well as recommendations in relation to investment in financial products;

c-quinquies) the offer to the Customer of financial products that are considered suitable for the Customer at the planning stage and/or on the basis of preset criteria for the composition of a suitable portfolio;

c-sexies) the recommendation to the Customer of transactions appropriate for the Customer's profile and consistent with the needs, including those of an insurance-pension nature, expressed by the Customer in any given time;

1. d) the clear presentation to the Customer of the nature, characteristics, risks, limits and methods of disinvestment, the overall costs and their impact on performance, any guarantees and the reasons for the appropriateness of the transaction, even if that information can be inferred from the agreement or from the offer documentation;
2. e) the correct determination of the criteria for quantifying the possible return, together with a clear statement that the return, when inherent in an investment that is random by nature, cannot be accurately estimated and that the return obtained in the past cannot be considered a reliable guide in itself;
3. f) the explanation of all the conditions governing the transaction;
4. g) the clear explanation to the Customer of the legal and economic-financial consequences of entering into the agreement or executing the investment;

g-bis) the periodic monitoring of the Customer's portfolio in order to recommend transactions to the Customer that keep the portfolio continuously aligned to the Customer's profile and needs.

The fact that the law lays down less stringent rules for certain categories of transactions or financial products than those laid down for other transactions or products does not exempt Members and Personal financial advisors authorised for door-to-door selling from strict compliance with the provisions of this Article and of Article 2.

Section II

Specific conduct

Section I

Relations between Members and Customers

Article 6 – Protection of the Customer

Members must carry out, and ensure that their Personal financial advisors authorised for door-to-door selling carry out, the activities referred to in Article 5 paragraph 1, in the best interests of the Customer, with due professional diligence.

Members and their Personal financial advisors authorised for door-to-door selling are bound by the utmost professional secrecy with regard to facts, data and information concerning Customers of which they or their Personal financial advisors authorised for door-to-door selling become aware, due to, or even simply on the occasion of, their relationship with the Customers or the position held.

Article 7 – Conflict of interest

Members shall ensure that the Customer is protected from any abuse, in particular from a conflict of interest situation.

Members have the duty to:

1. take all reasonable steps to identify conflicts of interest which may arise with the Customer in the course of carrying out the activities referred to in Article 5, paragraph 1, including those arising from the recommendation of sustainable forms of investment, and manage those situations, also by adopting organisational measures, in such a way as to prevent them from producing distortions in the recommendations to be given to the Customer or otherwise adversely affecting the Customer's interests;

2. clearly inform Customers, through the Personal financial advisors authorised for door-to-door selling, prior to acting on their behalf, of the general nature and/or sources of conflict of interest where the measures taken in accordance with letter a) are not sufficient to ensure, with reasonable certainty, that the risk of harming the interests of the Customers is prevented.

Article 8 – Portfolio transfer and respect of the Customer’s previous position

Members shall promptly respond to requests from Customers to transfer their financial portfolios to another intermediary, properly explaining to them the resulting legal and economic-financial consequences, without creating any unjustified obstacles or delays. If the transfer of individual financial products is not immediately feasible, the Members concerned shall cooperate with each other in order to adopt the most appropriate solutions in the interests of the Customer.

The activities referred to in Article 5, paragraph 1, shall be carried out in the interests of the Customers and their investment choices, with due professional respect for the activity carried out by Personal financial advisors authorised for door-to-door selling of other companies.

Section II

Relations between Personal financial advisors authorised for door-to-door selling and Customers

Article 9 – Extension of obligations

Members shall undertake to ensure that their Personal financial advisors authorised for door-to-door selling comply with the provisions of Section I and this Section in their individual dealings with Customers.

Article 10 – Transparency obligation

In their relationship with Customers, Members shall undertake to ensure that their Personal financial advisors authorised for door-to-door selling:

1. a) behave in a fair, honest and responsible manner;

a-bis) use all information on the Customer, even additional to what can be acquired through a standardised questionnaire, helpful to better understand the Customer’s needs and objectives, including in relation to environmental and social sustainability and governance, towards which the choice and provision of the investment and ancillary services, as well as recommendations concerning investment in financial products, should be directed;

1. b) make their best efforts to enable the Customer to fully understand the nature, characteristics, risks, limits and methods of disinvestment, the overall costs and their impact on performance, any guarantees and the reasons for the appropriateness of the transaction, even if that information can be inferred from the agreement or the prospectuses or information documents or the offer documentation. To this end, the Personal financial advisors authorised for door-to-door selling, in relation to the experience and financial culture of the Customers, shall adopt all possible measures to provide all the necessary assessment information with the utmost clarity, facilitating their financial education and stimulating their active participation in making the investment choices that concern them;

b-bis) recommend to Customers, in compliance with the procedures adopted by the Member and in line with the type of advice provided, investment transactions in financial products continuously aligned to their profile and consistent with their needs, including those of an insurance and pension nature;

1. c) avoid any conduct that may give rise to an abuse of the Customers’ good faith or inexperience.

Section III

Relations between Members and Personal financial advisors authorised for door-to-door selling

Article 11 – Independence of the Personal financial advisor authorised for door-to-door selling

Members shall ensure that their personal financial advisors authorised for door-to-door selling respect fundamental ethical values such as dignity, responsibility, trust, integrity and transparency. To this end, they shall promote behaviour consistent with these values in relation to the activities of

guiding, planning, coordinating and controlling the commercial policies adopted, also through appropriate information, training and awareness-raising activities.

Subject to the provisions laid down in Section II and in this Section of the Code, Members shall exercise the power of supervision and control over the Personal financial advisors authorised for door-to-door selling, also by adopting internal reporting systems and automated systems for detecting anomalous acts or conduct by them, in order to prevent the occurrence of events detrimental to Customers, without this affecting the professional independence of those Personal Financial Advisors.

In order to encourage generational change among the Personal financial advisors authorised for door-to-door selling and to optimise the relationship with their Customers, Members shall agree to forms of non-corporate collaboration between two or more Personal financial advisors authorised for door-to-door selling for the provision of support and advisory services to the same Customers, on the basis of the mandate given to each of them individually.

Article 11-bis – Commercial policies and incentive schemes

Members shall pursue responsible and sustainable commercial policies consistent with core ethical and integrity values and in accordance with the applicable regulatory framework and the principles of the Code.

Members shall develop incentive systems for Personal financial advisors authorised for door-to-door selling on the basis of criteria of economic rationality and sustainability over time, which are fair and transparent and do not lead to violations of regulations or the Code. To this end, they shall make the granting of incentives conditional on the achievement of objectives, both quantitative and qualitative. Failure to achieve commercial objectives shall not in itself constitute a breach of contract.

Article 12 – Selection and professional training of Personal financial advisors authorised for door-to-door selling

Members shall work to facilitate access to the activity of personal financial advisor by young people and women and choose their own Personal financial advisors authorised for door-to-door selling through strict selection criteria, not limiting themselves to mere verification of inclusion in the Register of Personal Financial Advisors, but using all information necessary to determine their moral and professional profile.

Members shall ensure the continuous professional updating of their Personal financial advisors authorised for door-to-door selling, within training programmes consistent with the activities they carry out and also giving attention to the assessment and the impact of the environmental and social sustainability and governance risks, providing them the necessary training tools. They shall also encourage Personal financial advisors to obtain certificates of competence issued by leading universities, professional and trade associations and certification bodies.

Article 13 – Obligation to give specific instructions

Members, while respecting the principle of independence set out in Article 11, shall give precise instructions to their Personal financial advisors authorised for door-to-door selling so that they provide Customers – both before the relationship is established and throughout its duration, including at the time of its termination – assistance and advice continuously appropriate for the Customers and in any event in accordance with their obligation to serve the Customers’ best interests.

Section IV

Mutual relations between Members

Article 14 – Duty of professional integrity

Each Member shall carry out its competitive actions within the limits of fairness and professional integrity and in full compliance with the laws, regulations and instructions from the Regulatory Authorities,

avoiding any conduct likely to cause damage, even if only in terms of image, to other Members or their Customers.

Article 15 – Personnel

Members shall carry out their recruitment and incentive activities with complete freedom of action, in accordance with the principles of fairness and professional integrity and in compliance with the regulatory provisions on recruitment incentives.

In particular, the observance of this fairness and integrity requires Members, in carrying out this activity, to refrain from:

1. a) circulating or disseminating inaccurate news and opinions to the detriment of other Members;
2. b) disseminating remarks, even in a restricted circle, harmful to the reputation of Members and/or their representatives or consultant staff;
3. c) using recruitment procedures and incentive means that differ significantly from the usual honest practices in the industry;
4. d) directing the search for personnel in specific target areas of particular Members;
5. e) making use, in any event, of the collaboration of Personnel still contractually bound to other Members.

Article 15-bis – Whistleblowing

To protect the integrity of the market, if they identify irregularities in the conduct of their Personal financial advisors authorised for door-to-door selling, Members shall provide prompt and documentary notification to the Supervisory Body and the Register of Personal Financial Advisors.

Article 16 – Protection of the identity of the Members

Each Member shall protect their own identity and that of the other Members by avoiding the use of confusing trademarks, names, slogans, distinctive signs and in general any conduct likely to create confusion with other Members or with their products and services.

Article 17 – Protection of the professional reputation of Members

Each Member shall safeguard their own professional reputation and that of the Members, avoiding appropriating the merits of other Members, or disseminating or even merely communicating in confidence news and remarks likely to damage their reputation.

Article 18 – Protection of business assets

Each Member shall protect their own business assets and those of the other Members, avoiding the use of news and information, even of a non-confidential nature, held exclusively by other Members.

Article 19 – Solidarity obligations

As far as possible and without prejudice to their independence and to competition in the market, Members shall cooperate in order to take common positions in response to external problems and actions.

Section V

Relations between Members and the Association

Article 20 – Facilitating the work of the Association

Members shall provide the Association with the necessary means and cooperate with it to the best of their ability to enable the:

1. a) full, correct and effective performance of its functions;
2. b) maintenance of good relations with the Regulatory Authorities, the media and other associations.

Members agree to comply not only with the resolutions lawfully adopted by the Association, but also with all the recommendations that the Association, in the proper exercise of its institutional powers, considers necessary to promote better ethical conduct by Members and better protection of Customers.

Members shall also comply with the provisions of the codes of conduct and guidelines adopted by the Association with the degree of flexibility provided therein.

Disputes concerning the violation of this article shall be referred to the Panel, which shall rule according to the procedures set out in Article 20, paragraph 1, of the Association's Bylaws.

Article 21 – Disclosure obligations

Members shall provide the Association with all necessary information and documents, subject only to the protection of Customer confidentiality.

Even if not specifically requested, Members shall provide the Association with any information that may facilitate the Association in the performance of its functions.

The provision of the last paragraph of Article 20 shall apply.

Section III

Penalties

Article 22 – Types of penalties

When the Panel, which is set up within the Association with judicial functions, ascertains a violation or conduct otherwise contrary to the rules of the Code, in addition to issuing a cease and desist order pursuant to Article 35 below, it may impose one or more of the following penalties:

1. a) written warning;
2. b) written reprimand;
3. c) proposal to suspend the Member;
4. d) proposal to expel the Member.

The penalties shall be imposed by the Panel in relation to the intrinsic seriousness of the violation, as well as its impact on the prestige of the Association or the other Members, and also on their goodwill and their financial situation.

The significance of the number of violations shall be assessed at the discretion of the Panel.

Article 23 – Content of penalties

The warning is a note in the form of a letter, addressed to the unsuccessful respondent and with a copy to the successful complainant, in which the Association, transcribing the Panel's ruling, warns the Member responsible for the violation to adopt more precise and rigorous adherence to the rules of the Code.

The reprimand is a note in the form of a letter, addressed to the unsuccessful respondent and with a copy to the successful complainant, in which the Association, transcribing the Panel's ruling, points out and condemns the conduct of the Member responsible for the violation.

The proposal for suspension or expulsion made by the Panel must be examined and, if necessary, approved by the Association's Management Board.

Article 24 – Dissemination of the penalty measure

Except in the case of a warning, in any other case in which the Panel imposes a penalty, it may also order, depending on the seriousness of the violation, that the ruling be brought to the attention of all the Members by means of an internal communication from the Association.

When proposing suspension or expulsion for violations relating to the protection of savings and customers, the Panel may also propose to the Management Board that the ruling be published, at the expense of the unsuccessful respondent and by the Association, in one or more national newspapers.

The notice and the proposal for publication may also be ordered by the Panel as a compensatory measure if the ruling in the interlocutory proceedings is overturned in the opposition proceedings.

Part II

Procedural rules

Title III

Ruling bodies

Article 25 – Definitions

For the purposes of this Part, the following definitions shall apply:

- *office*: the Disputes Office;
- *panel*: the Panel;
- *secretariat*: the General Secretariat of the Association;
- *proceedings*: the procedures set out in Title IV of the Code.

Article 26 – Disputes Office

A Disputes Office has been established within the Association to organise and support the activities of the Panel.

The bodies of the Office are the Presidency and the Secretariat.

The Office is based in Rome at Assoreti's headquarters, which also serves as the forum for the proceedings.

Article 27 – Presidency

The Presidency of the Disputes Office is assigned to the President of the Association.

If the President is unable to attend meetings due to unavailability or conflicts of interest, his/her functions shall be carried out on a temporary basis by one of the Association's Vice-Presidents, according to a six monthly rotation.

The President of the Office shall:

1. a) direct the Office;
2. b) establish the Panel in accordance with the appointments made by the General Assembly of the Association;
3. c) establish by lot, for the first time upon approval of the Code and subsequently at the beginning of each year, the monthly rotation of the members of the Panel called upon to issue the measures referred to in Article 36.

Article 28 – Secretariat

The Secretariat of the Office is assigned to the Secretary General of the Association, who may delegate all or part of his/her functions to other employees or consultant staff of the Association under his/her direct control.

The Secretariat shall:

1. a) perform all the executive and organisational tasks necessary for the functioning of the Office;
2. b) provide the necessary cooperation to the Committees and the parties for the conduct of proceedings;
3. c) perform treasury duties for the Office;

4. d) take the necessary steps for the imposition penalties and in general for the enforcement of the Panel's decisions.

Article 29 – Establishment and composition of the Panel

The members of the Panel shall be appointed by the General Assembly of the Association and shall consist of twelve members chosen from among recognised experts in civil, commercial, industrial and financial market law, of high moral standing.

The members of the Panel shall hold office for three years and may be reappointed for multiple consecutive terms.

The Panel shall be composed of three members appointed by drawing lots, each of whom, in the event of unavailability, abstention or objection, shall be replaced by one of the other nine members also chosen by drawing lots.

Each Member of the Panel shall act, according to monthly rotas, as the organ authorised to issue the monitoring measures referred to in Article 36. Members unable to attend, abstaining or objecting shall be replaced in the manner set out the paragraph above. All member of the Panel, even if in charge of issuing the measures referred to in Article 36, shall complete the proceedings with which they have been entrusted, even if in the meantime they have ceased to hold office or their month of rotation has expired.

Title IV

Procedures

Section I

Objectives, conditions and general principles

Article 30 – Nature of the procedures

The procedures set out in this Title shall be binding on all Members, even if they have ceased to be members of the Association after the proceedings have been initiated. In such cases, the penalty that may be imposed is the communication and publication of the ruling determining the violation of the rules of the Code.

The above-mentioned procedures do not exclude the Members' right to bring an action before the Legal Authorities or an arbitration procedure and, vice-versa, an action having been brought before the Legal Authorities or an arbitration procedure does not exclude the right to bring an action before the Panel.

Subject to compliance with the final or provisionally enforceable ruling issued by one of the judicatory bodies mentioned in the paragraph above, the Panel's rulings shall retain their disciplinary effect, within the scope of their applicability, pursuant to the Code, even if they conflict with the rulings of the above-mentioned judicatory bodies. Consequently, any differing rulings made by the Legal Authority or in arbitration proceedings do not in themselves constitute grounds, with respect to the proceedings before the Panel, for opposition to the application of the rules of the Code.

In such case, the facts as finally ascertained by the Legal Authority or in arbitration proceedings must necessarily also take into account the Panel's ruling, without prejudice to the legal recognition of that ruling.

Members retain the right to report the conduct of another Member to the Regulatory Authorities.

Article 31 – Entitlement to bring actions

Actions before the Honour Panel may be brought by any Member.

Article 32 – Effectiveness of Panel's decisions

The Panel's decisions shall be binding on the parties involved and failure to comply with them shall constitute a serious violation of the rules of the Code.

Section II

Types of proceedings

Section I

Ordinary proceedings

Article 33 – Institution of proceedings

A party wishing to report a violation of the Code must submit a complaint to the Disputes Office with the contents specified in Article 39.

Upon receipt of the complaint, the Secretariat shall immediately notify the party against which the complaint has been made and send a copy to the President of the Office, who shall immediately convene the Panel in accordance with Article 29 and send the complaint to it, setting a hearing for discussion no earlier than 30 days and no later than 40 days after the date when the complaint was made.

A party wishing to defend itself in the proceedings must file a statement of defence, in accordance with the requirements of Article 39, within 20 days of the date of service of the document initiating the proceedings. The Secretariat shall immediately notify the claimant.

If the respondent makes a counterclaim, the Panel shall authorise any counter-arguments and rebuttals.

Article 34 – Conduct of the proceedings

At the first hearing, the Panel shall appoint a President from among its members.

At the hearing, the President shall invite the parties, which may be present in person assisted by their respective defence counsels, to present their respective positions with the greatest possible freedom of presentation, taking care to ensure the effectiveness of the adversarial process.

If, at the end of the discussion, the Panel considers that the dispute has been sufficiently examined, it shall, immediately and in closed session, issue its ruling in accordance with the following Article.

If, at the end of the discussion, the Panel does not consider that the dispute has been sufficiently examined, it shall invite the parties to present their evidence and shall immediately make a public ruling on its admission and use.

If it is not possible to take all or part of the evidence at the same hearing, the Panel shall set a hearing for taking evidence within a maximum of 10 days, except in cases of force majeure, including if the members of the Panel, witnesses or defence counsels are personally prevented from attending, or if the parties agree otherwise. In any event, the extension shall be granted at the Panel's sole discretion.

Once the evidence has been taken, the parties shall be entitled to make brief oral submissions with the right to a single rebuttal.

After having heard the parties, the Panel shall, immediately and in closed session, issue its ruling in accordance with the following Article.

Article 35 – Ruling

Within 30 days of the pronouncement of the ruling, the Panel shall file the grounds for the ruling with the Secretariat. The parties shall immediately be notified by the Secretariat of the filing of the statement of the grounds for the ruling.

The ruling must be signed by all the members of the Panel.

If the claim is upheld, the ruling shall:

1. a) order the cessation of the conduct subject of the complaint;
2. b) prohibit its repetition;
3. c) impose the penalty on the unsuccessful respondent;
4. d) decide on the allocation of costs and fees in connection with the proceedings;
5. e) give instructions to the Secretariat for the imposition of the penalty and the possible dissemination and/or publication of the ruling.

If the complaint is rejected, the ruling shall:

1. a) expressly declare that the prohibited conduct does not exist or is not contrary to the rules of the Code;
2. b) give instructions regarding the costs and fees of the proceedings.

Section II

Rapid claims proceedings

Article 36 – Conditions for admissibility

In cases where the violation of the rules of the Code is clear and there are proven reasons of urgency, the claimant may request the Member of the Panel, appointed for this purpose pursuant to Articles 27 and 29, to issue an immediate ruling with the same content as that envisaged in Article 35 paragraph 3.

The rapid claims proceedings shall also be allowed in the event of failure to comply with rulings, even when not final, issued in accordance with the Code.

Article 37 – Proceedings

The claimant shall file the claim with the Secretariat, which shall immediately send a copy to the Member in office or, if he/she is unavailable or in conflict of interest, to the most senior alternate appointed for that purpose.

If, after having examined the documentation, the Member of the Panel hearing the complaint considers the complaint to be well-founded, he/she shall issue his/her ruling with a brief statement of the grounds within 5 days after the complaint has been filed, or shall issue a rejection ruling, sending a copy to the Secretariat, which shall immediately notify the claimant and the other party.

Article 38 – Appeal

The ruling upholding the complaint may be appealed within 20 days of the notice of filing.

The appeal shall be lodged and conducted in accordance with the ordinary procedure set out in Section I of this Chapter, but the party that requested the ruling cannot submit any new documents in the appeal proceedings. The member who issued the enforcement ruling cannot be a member of the Panel deciding on the appeal.

If the appeal is not made in accordance with this Article, the enforcement ruling shall become final.

Section III

Common procedural provisions

Article 39 – Form and content of documents of proceedings

The complaint, statement of defence, counter-argument, rebuttal, and request for rapid claims proceedings, together with the related documents, must be drafted on plain paper and filed with the Office in original with four copies. The Secretariat cannot receive any document if the party has not paid the costs to be advanced and the deposit to be provided in accordance with Article 43.

In the aforementioned documents, the parties shall set out the facts, indicate the rules allegedly violated or the conduct allegedly contrary to the Code and all the evidence they intend to use. All documents that the parties intend to submit must also be attached to those documents.

Unless specifically excluded by the Code and subject to compliance with the procedural deadlines, any formal irregularities in the documents shall be remedied directly at the hearing at the request of the Panel.

At the hearing the parties may only ask for evidence to be admitted equal to and opposing that submitted by the opposing party. In any event, the submission of new documents or the presentation of new and different evidence is not permitted.

Article 40 – Object of the application

The applications by the parties must expressly contain a request for an order to cease and desist the conduct subject of the complaint. Failing this, the Panel may nevertheless issue the cease and desist order, taking into account the omission of the application for the purposes of the orders regarding costs.

Article 41 – Communications

The Secretariat shall notify the filing of documents and rulings by telegram, fax or certified e-mail.

It may, at the request and expense of the parties, send documents and rulings directly to their domicile.

Article 42 – Powers of the Panel

Any evidence is admissible before the Panel, subject to the Panel's discretion to consider it admissible and, if admitted, to assess it freely.

Evidence shall be taken without formalities, the only limitation being meeting the requirements for an adversarial process.

The Panel, for the sole purpose of ascertaining the truth, may also order inspections, investigations and the gathering of any means of evidence, as well as questioning and acquiring information from any body or person, public or private, without limitation and independently of the requests from the parties.

The Panel shall be vested with the broadest disciplinary powers at the hearings.

The minutes of the Panel hearings shall be prepared by a Panel member and delivered to the Secretariat, which shall ensure the creation and storage of the case files.

Article 43 – Costs and deposits for the proceedings

The initiation of any proceedings before the Panel is conditional upon the payment of the expense advances and deposits established in the fee schedule annually approved by the Management Board of the Association, according to the terms and amounts established by the national arbitration regulations of the Chamber of Commerce of Milan.

Each party must pay, as an expense advance, both the amount of the Secretariat fee and the amount for any publication of the ruling.

Each party must pay the amount envisaged for the remuneration of the members of the Panel as a deposit.

If the respondent fails to pay the amounts envisaged in the paragraphs above, it shall be declared in default at the first hearing of the Panel. Without prejudice to any disqualification during the preliminary investigation, the default may be remedied at any stage of the proceedings, upon payment of the amounts due plus a 5% penalty, which shall be definitively acquired by the Association. The Association's certification of non-payment, i.e. the unopposed enforcement ruling, shall constitute full evidence of the debt for the costs of the proceedings in the event of unsuccessful defence by the respondent.

At the initiation of the proceedings, the Secretariat shall deduct pro rata from each payment a portion up to the amount of the Panel's remuneration and shall hold the remainder in trust until the date of completion of the proceedings. The amounts withheld shall be repaid, in whole or in part, to the respective payers in accordance with the ruling, minus any costs of publishing the ruling to be borne by the unsuccessful respondent.

Article 44 – Abstention and recusal

Members of the Panel who are in a professional or personal relationship with the parties or their counsels such that the impartiality of the ruling may be jeopardised have the duty to abstain at the time of appointment by letter addressed to the President of the Association, who shall immediately replace them, in accordance with Article 29, paragraph 3.

In the event of failure to abstain, a Member in one of the situations referred to in the paragraph above may be objected to, directly at the hearing and without formalities, by either party. In such case, the most senior member of the Panel shall immediately decide, by final ruling, whether to reject or uphold the request. In such case, the hearing is postponed by no more than 7 days. The President of the Association shall immediately be informed of the circumstance and shall replace the recused Member in accordance with Article 29 paragraph 3.

Title V

Final and transitional rules

Article 45 – Pending proceedings

Proceedings pending at the date of entry into force of the Code shall remain subject to the previous substantive and procedural rules.

However, failure to comply with rulings of the Panel, including previous rulings, that were made or continued after the entry into force of the Code, shall be subject to the rules of the Code.

Attachment 2 – Assoreti Supervisory Code on the activities of personal financial advisors

Presentation

The efficient provision of investment services and, in particular, of door-to-door selling carried out through personal financial advisors authorised for door-to-door selling (below in short “personal financial advisors”), requires the adoption of adequate resources and procedures, including internal control procedures, for the continuous monitoring of the related risks.

In this context, in March 1998 Assoreti approved a Supervisory Code on the activities of personal financial advisors, which was subsequently amended in July 2001, December 2003, December 2004, December 2006, December 2008, September 2014 and December 2016. The above-mentioned code is binding on the Members in accordance with Article 20 paragraph 2 of the Assoreti Code of Conduct.

The Supervisory Code is a concrete expression of the activity of private regulation, contributing to supplementing the sector regulations regarding the requirement for authorised entities to have suitable procedures to ensure adequate internal supervision of the activities carried out by their designated personnel and by their personal financial advisors (Articles 15, paragraphs 1 and 2, letter c) and 16, paragraph 1, of the joint regulation of the Bank of Italy and Consob of 29 October 2007, in implementation of the provisions of Article 21, paragraph 1, letter d), of the Legislative Decree no. 58 of 24 February 1998).

In particular, it represents a support for the preventive supervision carried out by the authorised entities on the conduct of the personal financial advisors they use in the door-to-door selling of either their own or third-party financial instruments and other financial products, investment and accessory services, and insurance, banking and disbursement products and services in general.

The degree of efficiency and effectiveness of the Code is continuously monitored by a Technical Commission permanently established within the Association. The flexible revision process for the instruments envisaged therein, entrusted to Assoreti’s Governing Body, allows the necessary adjustments to be made in a timely manner in order to remedy any critical issues encountered in the course of door-to-door selling operations, to take into account the regulatory changes in this area and to provide instruments that are always in line with the evolution of the products and services offered. The cooperation of the competent control functions of the Members is fundamental for this. Indeed, they have never hesitated to share their experience in relation to anomalies and in the refinement of control techniques, which are now increasingly computerised. This is in the knowledge that only through dialogue is it possible to effectively and comprehensively supervise the types of risk actually encountered, with a view to better achieving the common objective of the integrity of the financial markets and the protection of savers in the door-to-door selling segment.

The Code, accompanied by an operational guide, is structured in two parts containing, respectively, indicators of possible anomalies and intervention tools.

Anomaly indicators

In general, the indicators do not in themselves constitute cases of improper conduct by the personal financial advisor, but are merely indications of a possible dangerous situation, whose

actual occurrence must lead the intermediary to carefully examine the operations of the supervised person. Continuous monitoring of the indicators, or of others different from those indicated but capable of guaranteeing the same objectives, should enable the easy detection of deviations from normally typical behaviour, while also acting as a significant deterrent.

The organisational function responsible for analysing the indicators, the frequency of the related conduct, the relative degrees of riskiness and the average behaviours considered normal shall be freely decided by the Members, also taking into account the characteristics of the services provided to clients and of the products offered, as well as the technological support available. The assessment of the relevance of individual indicators may also be determined by economic circumstances capable, even temporarily, of affecting the behaviour of customers and/or the structure of the products offered.

If the controls on the network are divided between several functions and structures, the Members shall establish appropriate information flows and forms of orderly cooperation between them, subject to the requirements of separation of operational structures from those responsible for carrying out second and third level controls.

In addition, the indicators are set out in the Code in a general manner. They do not therefore take into account specific organisational situations in which the task of placement does not involve the direct management of the data necessary for the application of a particular indicator, which, in that case, cannot be adopted. Lastly, the list of indicators does not purport to encompass all the anomalies requiring attention by the Members. Consequently, they will be able to add to the cases considered here based on their own specific experience, using the case studies given in the Code as an aid and stimulus for observation and critical assessment. Moreover, it is now widely accepted among the Members of the Association, as demonstrated by their experience to date, that these indicators are an essential control tool to which the necessary financial and human resources can be productively allocated. This creates a virtuous circle, as a result of which investments are made that are reflected in a tangible reduction of the risks monitored. To this end, each indicator in the Code is the result of a prior assessment of the costs to be borne for its adoption, measured against its actual ability to prevent the occurrence of statistically significant risks.

Specifically, the indicators are classified, within the Code, based on the individual categories of risk they aim to prevent. They are divided into three categories aimed at controlling the following:

A) the risk of non-compliance with the rules of conduct by the personal financial advisor, which in turn is divided into the following sub-categories:

1) risk of insufficient explanation of the characteristics of the financial products and investment services offered and/or the dangers associated with them;

2) risk of multiplication of transactions apparently not corresponding to the actual interest of the customer (and which therefore could potentially have been induced by the personal financial advisor for the sole purpose of receiving higher commissions);

3) risk of covert asset management, when the transactions ordered by customers assisted by the same personal financial advisor have a degree of uniformity not justified by market conditions and therefore cast doubt on the actual provenance of the orders;

4) risk of incorrect application of the obligations to assess the adequacy or appropriateness of transactions ordered by customers assisted by the personal financial advisor (to be considered

also in relation to the possible concentration of the personal financial advisor's activity on customers with a high risk profile);

B) risk of concealment from the customer of any losses incurred or, in the most serious cases, of misappropriation of customer assets. Four sub-categories of indicators have been identified in relation to this risk:

1) the manner in which the report is transmitted to the customers (e.g. where the customers indicate an address other than their residence or domicile);

2) the conduct of the customer, where there is a reasonable suspicion that it may have been induced by the personal financial advisor, even without the customer's knowledge (such as, for example, an apparently disproportionate use of bank drafts or the arrangement to transfer securities or policies from one customer to another, both assisted by the same personal financial advisor);

3) the personal financial advisor's commission streams (where they are, for example, excessively low in relation to the overall size of the portfolios of the customers advised by him/her);

4) the movements in the personal financial advisor's current account and securities account, also cross-checked against the performance of the accounts of the customers assisted by him/her. The use of this type of indicator assumes that the intermediary is a bank and that the personal financial advisor has opened an account with it. Particular attention is therefore given to a personal financial advisor's choice, which is in itself legitimate, not to open a current account with the bank that he/she works for. A choice that, if made by the personal financial advisor, would itself constitute an anomaly indicator. The monitoring of the accounts of the personal financial advisor and the customers he/she advises is instrumental to the more efficient provision of investment services, thereby protecting the integrity of the markets and the interests of the customers themselves. To ensure the confidentiality of the data processed, it must be restricted to the monitoring purposes underlying the use of these indicators;

C) the risk of the lead generator encroaching on the activity, reserved to the personal financial advisor, of promotion and/or placement of financial products and investment services. The task of lead generation is limited to introducing people to the intermediary who are potentially interested in investing in financial products. The use of lead generators is a recurring phenomenon among the Members and is usually accompanied by another job (e.g. as an insurance intermediary) and represents a stage in the worker's training before he/she is registered as a personal financial advisors. In order to achieve this goal, the lead generator is therefore immediately included in the organisational structure of the intermediary and is usually assigned to a personal financial advisor who is also in charge of training him/her (so-called tutor advisor). The proposed indicators are intended to prevent the risk that the lead generators, by exploiting their proximity to the personal financial advisor, may go beyond the scope of their remit, which in the investment services sector is limited to merely introducing the intermediary to potential investors.

The current classification of the indicators within the specific risk categories they relate to meets the need to make their purposes of preventive control more transparent to the market. The Supervisory Code thus goes from being a container of technical rules intended primarily for the intermediary's internal control function to a true private code that, by highlighting the dangers inherent in the operations carried out through personal financial advisors, on the one hand increases their awareness of the pervasive and effective system of alerts triggered by the

intermediary and, on the other hand, is an integral part of the process of investor education, increasing

awareness among the investing public of the potential problems associated with door-to-door selling.

Intervention tools

The second part of the Supervisory Code sets out the intervention tools, which also have a preventive purpose and which, when suitably adapted to the organisation of the intermediary and to the type of products and services offered, can be used to implement a corporate policy directed towards compliance with constant and high standards of conduct of the personal financial advisors network, whose customer service role is further emphasised by the principles underlying MiFID. Members are therefore required to give particular attention to intervention tools aimed at verifying that the personal financial advisor provides customers, including potential customers, with all the advice and assistance necessary for the full and proper implementation of the duties of conduct, in accordance with the Assoreti Guidelines, for the service relationship with the customer.

The second part is also divided into sections, which cover the tools related respectively to:

a) *customer relations.* These tools include those aimed at directly verifying customers' awareness of their bank movements and investments, also carried out online, which have a particular impact on the personal financial advisor network;

b) *relations with the personal financial advisor.* In this regard, a tool is envisaged based on the requirement for Members to report customer complaints to Assoreti concerning personal financial advisors, anonymised and broken down by cause, to enable the Association, through the aggregation of the data received, to periodically produce an estimate of the level of significance the various risk categories. This tool helps to identify the critical areas on which to focus controls, based on the frequency and size of the overall risks identified by the entire membership of the Association;

c) *relations with the lead generator.* These tools are directly related to the work of the lead generator and the tutor advisor, subject to their adaptability to the other tools relating to the relationship with the customer and the personal financial advisor (e.g. interviews with customers presented by the lead generator, or checks carried out at peripheral operating points of the personal financial advisors where there are also lead generators).

As with the anomaly indicators, the intervention tools are not exhaustive. Members should therefore consider setting up additional

intervention tools taking into account, among other things, the evolution of the process of digitisation of relations with customers and the network.

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The Code is binding on the Assoreti member firms and, given the high degree of representativeness of those firms, it also acts as a container of best practices that can serve as a reference for the internal control procedures adopted by any intermediaries, including non-members of Assoreti, that use personal financial advisors.

Moreover, it was created and developed by the firms in the sector, and over time it has also become a point of reference for the supervision by Consob. Indeed, it expects “*the adoption of an adequate number of anomaly indicators, covering at least all the areas set out in the specific Assoreti Manual*”, as a solution which, “*in an operating context where other control measures are also properly implemented, puts the intermediary in a position to monitor the operations of its promoters, detecting potentially anomalous situations in good time*” (Communication no. 0012130 of 11 February 2016, par. 2.2).

PART I – ANOMALY INDICATORS

A) COMPLIANCE WITH THE RULES OF CONDUCT

A.1) Indicators that may suggest an insufficient explanation of the characteristics of the financial products and investment services offered and of the associated risks

- a) Transactions that do not appear to be consistent with the customer’s situation and/or the type and/or characteristics of the investment (e.g. subscription to an accumulation plan for the purchase of mutual fund shares by a customer over x years of age; subscription to an accumulation plan for the purchase of mutual fund shares with an initial payment of more than x instalments; subscription of pension and/or insurance products with an annual premium exceeding x thousand euro, where relevant, or by policyholders over x years of age; subscription or purchase of unlisted medium/long-term securities by a customer over x years of age);
- b) a choice apparently lacking foundation in relation to the type and/or characteristics of the investment (e.g. frequency of investments and divestments close together);
- c) unusual choices in relation to investments with multi-year accumulation (e.g. multi-year investment programmes in units of mutual funds and in pension and/or insurance products, which are not replenished by payments under the agreement signed by the customer; subscription of new investment plans, such as accumulation plans in mutual funds of the same type or pension and/or insurance products, without having completed those previously subscribed by the same customers; redemption or reduction requests concerning pension and/or insurance products);
- d) unusual trends in customer relationships (e.g. current accounts closed within a short time of their opening; single-premium policies with early surrenders);
- e) concentration of transactions with high risk potential (e.g. in unlisted equities or derivatives), by several customers using the same personal financial advisor.

A.2) Indicators that may suggest undue generation of commissions

- a) similar transactions close together and involving a high level of commissions, relating to the assets of customers advised by the same personal financial advisor;
- b) high level of commissions received by the personal financial advisor in relation to the net sales relating to the same advisor and/or to the value of the total portfolio assigned to him/her;

- c) subscription, by customers assisted by the same personal financial advisor, of new products with a commission load to replace similar products that have been discontinued or not regularly funded;
- d) predominance of instruments, products or services, among those placed through the same personal financial advisor, that allow for high levels of commissions.

A.3) Indicators that may suggest covert asset management

- a) uniform and almost simultaneous investment choices by customers assisted by the same personal financial advisor;
- b) high proportion of the personal financial advisor's total gross sales with respect to the total net sales achieved by him/her;
- c) high proportion of the personal financial advisor's total gross sales with respect to the value of the total portfolio assigned to him/her.

A.4) Indicators that may suggest the incorrect application of the requirements of assessing suitability or appropriateness

- a) high level of customers assisted by the same personal financial advisor declaring that they do not wish to provide the information necessary to carry out the suitability or appropriateness analysis;
- b) high level of customers with a high risk profile being assisted by the same personal financial advisor;
- c) high level of customers being assisted by the same personal financial advisor requesting unsuitable or inappropriate transactions;
- d) high level of customers assisted by the same personal financial advisor who, over a significant period of time, change their profile to a higher risk class in proximity to an unsuitable or inappropriate transaction with respect to their previous profile;
- e) customers assisted by the same personal financial advisor that make several profile changes to a higher risk class over a reasonable period of time.

B) PROTECTION OF CUSTOMER ASSETS

B.1) Indicators relating to reporting arrangements

- a) same address details for several customers assisted by the same personal financial advisor;
- b) requests for correspondence to be sent by post and/or electronic mailboxes by several customers assisted by the same personal financial advisor.

B.2) Indicators of customer behaviour

- a) high level of bank drafts in proportion to the total number of means of payment sent by the personal financial advisor to the intermediary in the execution of customer relationships;
- b) late payment of subsequent premiums for pension and/or multi-annual insurance products;

- c) *inter vivos* transfer of financial, insurance or pension products from one customer to another;
- d) sending of payment instruments, following disinvestments, to addresses and/or places other than those indicated in the agreement with the customer;
- e) delegation to the same person, by several customers advised by the same personal financial advisor, of authority to act on their behalf;
- f) recurrence of the same name as joint registered holder in several agreements each with different registered holders;
- g) liquidation of the agreement in favour of a joint registered holder who entered after the agreement was signed.

B.3) Indicators relating to the personal financial advisor's commission flows

- a) level of commissions received by the personal financial advisor that is below average and/or inconsistent with other parameters (e.g. professional seniority, number of customers assisted, size of portfolio assigned);
- b) a significant increase or decrease in the level of commissions received by the personal financial advisor over a particular period of time.

B.4) Indicators relating to the performance of the accounts of the personal financial advisor and/or of the customers advised by him/her

- a) failure by the personal financial advisor to open a current account with the bank on whose behalf he/she is acting;
- b) unusual movements in the personal financial advisor's current account and/or securities account (e.g: overdrafts; outstanding payments; claims; high level of movement in securities);
- c) cash deposits and withdrawals in/from the personal financial advisor's current account, significant in terms of frequency and/or amount;
- d) frequent requests for bank drafts from the personal financial advisor and/or customers assisted by him/her;
- e) requests for bank drafts from the personal financial advisor and/or from customers assisted by the personal financial advisor, when the related funds consist of cash *without passing through the current account*;
- f) frequent deposit of bank drafts in his/her current account by the customer;
- g) current account movements between the personal financial advisor and the customers he/she advises, significant in terms of frequency and/or amount;

- h) incoming and/or outgoing movements between the current account of the personal financial advisor and/or of the customers assisted by him/her and a current account held at a third party bank, significant in terms of frequency and/or amount;
- i) current account movements between customers assisted by the same advisor, significant in terms of frequency and/or amount.

C) LEAD GENERATORS

- 1) large number of agreements signed by customers submitted by the lead generator within a short period of time;
- 2) uniformity of investment choices of customers introduced by the lead generator;
- 3) joint ownership of contractual relationships with customers presented by the lead generator;
- 4) the conferral of powers of attorney or mandates on the lead generator by customers, including those of domiciliation, also in cases permitted by the procedures adopted in writing by the intermediary;
- 5) high number of customers referred by the lead generator as a proportion of the total number of customers assigned to the personal financial advisor;
- 6) high volume of customer portfolios submitted by the lead generator as a proportion of the total volume of customer portfolios allocated to the personal financial advisor;
- 7) almost simultaneous completion of off-premises transactions by several customers referred by the lead generator who are located in geographic areas significantly distant from each other;
- 8) receipt by the back office of an unusual number of agreements or other contractual documents that have not been properly completed (e.g. lack of signature of the personal financial advisor).

PART II – Intervention instruments

D) WITH THE CUSTOMER

- 1) free phone number and/or e-mail address or other easy contact details of the intermediary available to the customer;
- 2) systematic interviews or surveys, also on a sample basis, with customers aimed at identifying the level of customer satisfaction, the quality of service, also in relation to the frequency of visits to customers and other contacts with them, as well as the operating practices of the personal financial advisor and any lead generator;
- 3) sending customers, where the management of the data is organisationally envisaged, a periodic report (at least once a year), containing their asset situation, to allow them to verify it;
- 4) customer checks, also on a sample basis, aimed at detecting the level of awareness of the profile and investments made, also in light of the explanations received from the personal financial advisor;
- 5) customer checks, also on a sample basis, of the provenance of current account instructions executed with the material assistance of the personal financial advisor, considering the type (e.g. withdrawal of cheque books, request for bank drafts, deposit of bank cheques), frequency and/or amount;
- 6) checks, also on a sample basis, of the addresses indicated by customers for the domiciliation of correspondence, to verify that they do not coincide with the residence or domiciles of the personal financial advisor;
- 7) checks, also on a sample basis, on correspondence held by the intermediary and/or not delivered to customers;
- 8) checks, also on a sample basis, on changes in the personal details of contract holders;

- 9) adoption of appropriate security measures for online transactions (e.g. communication to customers about code secrecy and the risks of online transactions; regular changing of codes; specific warnings to customers in the event of transactions ordered by them that may give rise to a possibility of unauthorised use of the codes);
- 10) where possible and appropriate (considering the organisational, distribution and operational model of the intermediary, as well as the instruction channel used), sending an alert to customers – by text message, e-mail or other similar message – in connection with current account movements and/or investment/disinvestment transactions.

E) WITH THE PERSONAL FINANCIAL ADVISOR

- 1) continuous training aimed at maintaining high levels of professional competence and quality of service and full compliance with due diligence and the rules, including existing regulations and ethical standards;
- 2) systematic analysis of complaints received, with a view to any targeted action against the personal financial advisors;
- 3) communication to Assoreti of anonymous data relating to complaints reported to Consob concerning personal financial advisors, to enable statistical processing of that data at industry level;
- 4) implementation of systematic controls at peripheral operating points, to monitor how the activity is carried out, also in relation to the frequency of visits to customers and other contacts with them.

F) WITH THE LEAD GENERATOR

- 1) instructions to lead generators to avoid the performance of their activities encroaching on the promotion and placement activities reserved to the personal financial advisor;
- 2) training of lead generators interested in obtaining enrolment in the register of personal financial advisors, where appropriate also through the assignment of a tutor advisor in a number not exceeding the actual capacity to monitor the work of the lead generators themselves;
- 3) systematic analysis of complaints received by the company, with a view to taking targeted action against the tutor advisor and the lead generator, where present;
- 4) implementation of systematic controls at the peripheral operating points, to monitor the way the personal financial advisors perform their activities, also in relation to how they have been assigned customers introduced by the lead generator (e.g. the way the documentation relating to relations with the latter is kept).

Annex 3 – Professional Code of Ethics for personal financial advisors authorised for door-to-door selling (ANASF) (last modified 10 July 2019)

Members (professional members enrolled in the Register provided for by Legislative Decree 58/98) shall:

- 1) Place the public interest above their own interests.
- 2) Obey all the rules of professional conduct set out in this document and shall not tolerate, either directly or indirectly, actions and behaviour contrary to the contents of this document.
- 3) Notify the competent authority or supervisory body, if they become aware of violations of laws, regulations or rules protecting the proper exercise of the profession.
- 4) Pay attention to and assess situations in which there may be conflicts of interest between themselves and other members. If such conflicts of interest exist, members shall take steps to remedy them and, where this is not possible, shall promptly inform the members involved and, where appropriate, the association, to enable the prevention of any negative or detrimental effects in the association and professional relations, also through assessments of potential conflicts.

RULES OF CONDUCT

Members shall comply with the provisions of European and national laws and regulations, in particular Directive 2014/65/EU and other rules deriving from it, any changes, adjustments and revisions thereof, Legislative Decree 58/98 as amended, the Consob Regulations relating to the areas of activity carried out, and Legislative Decree 231/2007 on anti-money laundering. Members agree to behave with diligence, fairness and transparency in all areas of their activities and in relations with their professional and institutional partners, guaranteeing, within their remit, the rights arising from the application of Legislative Decree 196/2003 containing the Privacy Code. The contents of this Code of Professional Conduct comply with the provisions of Legislative Decree 231/2001 on personal and professional liability.

A) Duty of care

- 1) Members have a duty to know and comply with all the laws and regulations governing their activities.
- 2) In carrying out their activities they shall pursue high professional standards. Their actions in exercising the profession shall be characterised by a high degree of care, precision, diligence and competence.
- 3) In order to guarantee the necessary levels of competence, members shall continuously ensure their training and professional development, also by integrating the initiatives taken by the authorised intermediary they work for.

B) Duty of integrity

The conduct of members must always conform to high standards of professional integrity, even when this is not expressly and precisely prescribed by laws or regulations.

C) Duty of transparency

Members have a duty of transparency. Subject to the reasonable protection of their interests and in accordance with their duties and rights of confidentiality, members must provide their counterparts with all the information in their possession that is necessary for the protection of their interests and the performance of their institutional tasks.

1. RELATIONS WITH CUSTOMERS

- 1) Members shall pursue the interests of customers and refrain from conduct contrary to that objective.
- 2) Conduct contrary to the interests of customers by the members is not justified, even if suggested or solicited by the intermediary they work for.
- 3) Members are required to inform customers about the true costs, benefits and limitations of the services and products marketed and refrain from making misleading statements such as those about future investment performance.
- 4) Members shall provide ongoing advice and assistance to the customers. They shall be available to receive requests for information, clarification or advice, regardless of whether that activity may be useful for the promotion of new business.
- 5) Members shall not accept any customer requests that conflict with the rules of this Code of Conduct.

2. RELATIONS WITH AUTHORISED INTERMEDIARIES

- 1) Members acting as personal financial advisors authorised for door-to-door selling shall carry out their activities on behalf of the authorised intermediary with efficiency and loyal cooperation.
- 2) Members have a duty to avoid unfair behaviour even after termination of the relationship with the intermediary that they have acted for.
- 3) The duty of the members to act in the interests of the intermediary is subordinate to the interests of the customers. Accordingly, members shall refuse initiatives and conduct, even if requested or suggested by the intermediary, that conflict with the needs of customers.
- 4) Members shall not accept requests from the intermediary that they act for which conflict with this Code of Conduct.

3. RELATIONS WITH COLLEAGUES

- 1) In their relations with colleagues in their network, members shall behave in a spirit of loyalty and solidarity.
- 2) Even within a competitive relationship, members shall behave fairly and correctly towards colleagues operating with other intermediaries, especially when acquiring new customers and recruiting personal financial advisors, either potential or already active.
- 3) Personal financial advisors acting as tutors to aspiring personal financial advisors and/or coordinating and assisting other personal financial advisors must strictly comply with the obligations of loyalty, solidarity and fair competition. They must also ensure and verify that the trainees they assist and the personal financial advisors they coordinate comply with laws, regulations and ethical standards.
- 4) The obligations of solidarity and loyalty towards colleagues shall not prevent appropriate steps from being taken by members that become aware of conduct by other members that is in serious conflict with the interests of customers or in any case with the rules of this Code of Conduct.

4. RELATIONS WITH FINANCIAL MARKET SUPERVISORY AUTHORITIES

- 1) Members shall treat the Regulatory Authorities, and in particular Consob and the OCF (supervisory organisation for personal financial advisors), as key actors for the proper and efficient functioning of the market.
- 2) Members shall facilitate, and in any event does not hinder, the effective performance of the institutional tasks of the market supervisory authorities and Consob in particular. Members believe that the proper functioning of these institutions is in the interest of their professional category.