

# Consolidated Non-Financial Statement

PURSUANT TO ITALIAN LEGISLATIVE DECREE NO. 254/2016

**AS AT 31 DECEMBER 2019**

# doValue

# doValue

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The doValue Group aims to disseminate and share with all stakeholders its culture based on the values of integrity and respect of others.

Building a sustainable future and creating social, environmental and employee value are the pillars on which the Group's sustainability initiatives are based.

**doValue**

# Message to stakeholders from the CEO

2019 was full of news for the Group, as the process of transformation and internationalisation that began in 2018 materialised during the year, bringing doValue to become a leader in five markets of Southern Europe.

The major goals included the acquisition in Spain of the company Altamira Asset Management, an operation that has allowed expansion in Portugal, Greece and Cyprus as well. The Group's presence in Greece that began in 2018 was strengthened with the signing in December 2019 of a partnership agreement with Eurobank, one of the local systemic banks, which provides for the acquisition of the servicing platform FPS. And our goal is to continue to grow, as stated in the new Business Plan 2019-2022.

Within this dynamic context, it is important to never lose sight of the values that have always characterised the essence of our Group and made it so strong and cohesive: among these is sustainability, understood as responsible growth, a driver of continuous development and innovation aimed at creating value for all stakeholders.

That which was done in the context of sustainable development during the year is expressed in our third Consolidated Non-Financial Statement relating to the year 2019. With this document we seek to highlight the initiatives and objectives achieved thanks to the commitment of all the Group's staff, but above all we want to demonstrate how sustainability will continue to be an increasingly vital element of our business.

Our commitment to spreading the culture of sustainability was expressed in various projects and initiatives in 2019 to benefit our people, the territory, the community and the environment.

At corporate level, the Diversity & Inclusion Committee has continued to translate the various proposals and requirements gathered in the company on diversity and inclusion into projects, as they are fundamental elements of our identity.

In the social sphere, we confirmed our commitment in the territories where we operate, in order to support the spread of an environmental culture and circular ethics, promoting innovative projects and internal awareness campaigns in favour of non-profit and charitable organisations.

The Group has been a partner of Save the Children for years now and exclusively supports the Spazio Mamma project in the Torre Maura district in Rome, providing support for mothers and children experiencing social hardships.

We are also dedicating ever-greater attention to environmental issues: in addition to monitoring our impacts in this sense, we made our commitment even more tangible in 2019 by participating in the LifeGate PlasticLess® initiative, supporting the installation at the Tourist Port in Rome of a technological device able to collect floating plastic, plastic and microplastic waste from the sea, contributing to the reduction of pollution in our seas.

We have made our main strength our excellence and we attract talents that perceive the Group as a stimulating environment where they can develop their skills.

We also continue to devote great attention to our people, enhancing their skills through both technical-specialist and managerial training courses, developing better conditions for reconciling the private life-work balance and allowing access to more agile and environmentally friendly working modes.

Considering the results achieved in 2019, we are quite satisfied with the strategy implemented, but we are also aware that our path of sustainability is in continuous evolution. Through the strong commitment of all our people towards excellence and the desire to continue to maintain clear relations with our stakeholders, we increase our contribution to the construction of an increasingly sustainable future that will guide us towards conscious change both today and tomorrow.

**Chief Executive Officer  
Andrea Mangoni**

# 2019 in numbers

€131.5 billion



Gross Book Value - Portfolio managed

€69.1 million



Net profit (excluding non-recurring costs)

~2.350



Number of employees

56%



Female employees

99%



Permanent contracts

over 47,000



Hours of training provided

905



Number of beneficiaries of Spazio Mamme by Save the Children in Italy

500+ kg



waste per year collected from the seas thanks to the LifeGate PlasticLess project in Italy

1,384 sqm



Forest areas created in Italy's Ticino Park, thanks to the Zero Impact® Web Project

3,456 kg



Offset through the Zero Impact® Web Project

46%



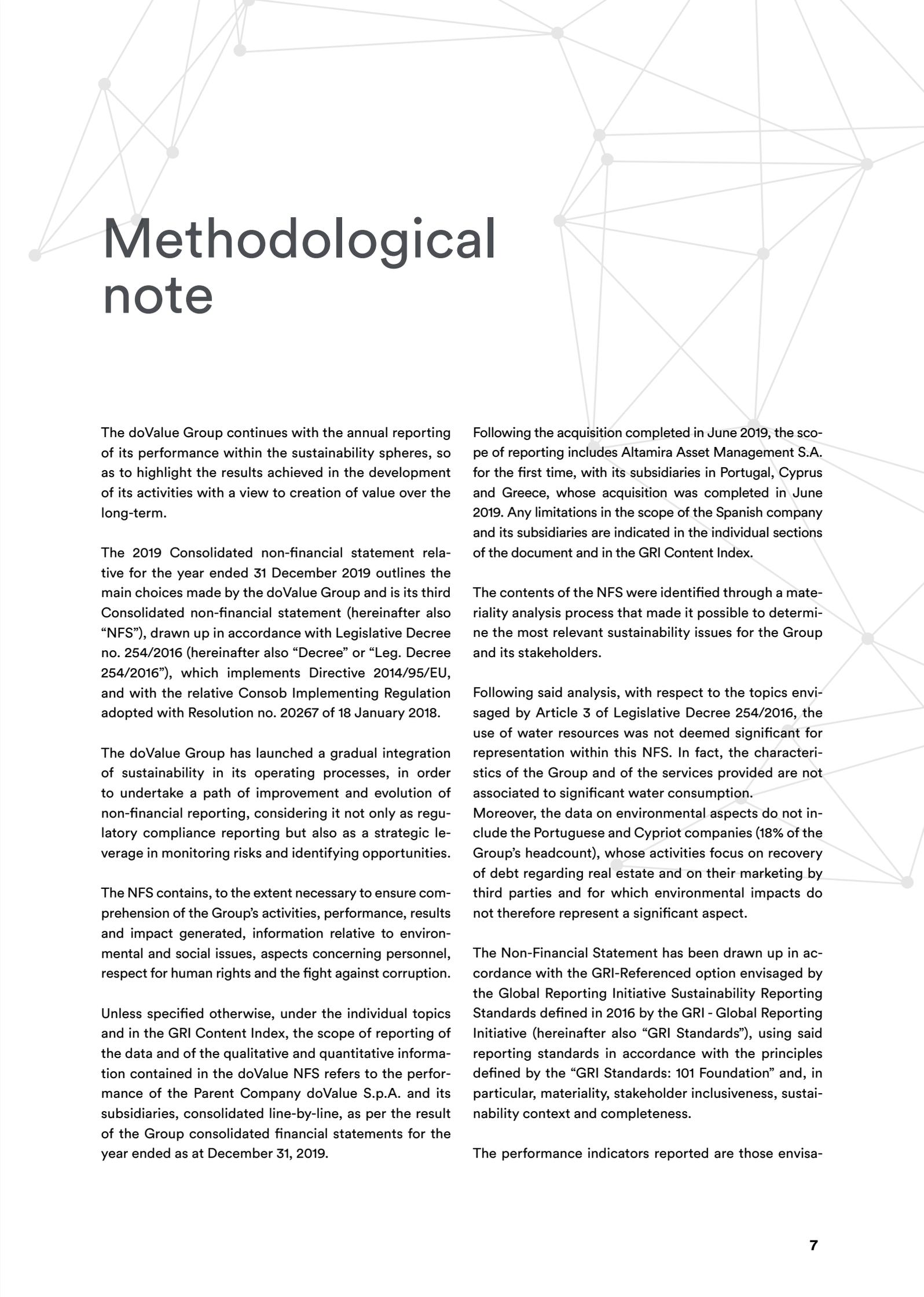
Renewable energy over total energy consumed

## GROUP VALUE

## VALUE FOR EMPLOYEES

## SOCIAL VALUE

## ENVIRONMENTAL VALUE



# Methodological note

The doValue Group continues with the annual reporting of its performance within the sustainability spheres, so as to highlight the results achieved in the development of its activities with a view to creation of value over the long-term.

The 2019 Consolidated non-financial statement relative for the year ended 31 December 2019 outlines the main choices made by the doValue Group and is its third Consolidated non-financial statement (hereinafter also “NFS”), drawn up in accordance with Legislative Decree no. 254/2016 (hereinafter also “Decree” or “Leg. Decree 254/2016”), which implements Directive 2014/95/EU, and with the relative Consob Implementing Regulation adopted with Resolution no. 20267 of 18 January 2018.

The doValue Group has launched a gradual integration of sustainability in its operating processes, in order to undertake a path of improvement and evolution of non-financial reporting, considering it not only as regulatory compliance reporting but also as a strategic leverage in monitoring risks and identifying opportunities.

The NFS contains, to the extent necessary to ensure comprehension of the Group’s activities, performance, results and impact generated, information relative to environmental and social issues, aspects concerning personnel, respect for human rights and the fight against corruption.

Unless specified otherwise, under the individual topics and in the GRI Content Index, the scope of reporting of the data and of the qualitative and quantitative information contained in the doValue NFS refers to the performance of the Parent Company doValue S.p.A. and its subsidiaries, consolidated line-by-line, as per the result of the Group consolidated financial statements for the year ended as at December 31, 2019.

Following the acquisition completed in June 2019, the scope of reporting includes Altamira Asset Management S.A. for the first time, with its subsidiaries in Portugal, Cyprus and Greece, whose acquisition was completed in June 2019. Any limitations in the scope of the Spanish company and its subsidiaries are indicated in the individual sections of the document and in the GRI Content Index.

The contents of the NFS were identified through a materiality analysis process that made it possible to determine the most relevant sustainability issues for the Group and its stakeholders.

Following said analysis, with respect to the topics envisaged by Article 3 of Legislative Decree 254/2016, the use of water resources was not deemed significant for representation within this NFS. In fact, the characteristics of the Group and of the services provided are not associated to significant water consumption. Moreover, the data on environmental aspects do not include the Portuguese and Cypriot companies (18% of the Group’s headcount), whose activities focus on recovery of debt regarding real estate and on their marketing by third parties and for which environmental impacts do not therefore represent a significant aspect.

The Non-Financial Statement has been drawn up in accordance with the GRI-Referenced option envisaged by the Global Reporting Initiative Sustainability Reporting Standards defined in 2016 by the GRI - Global Reporting Initiative (hereinafter also “GRI Standards”), using said reporting standards in accordance with the principles defined by the “GRI Standards: 101 Foundation” and, in particular, materiality, stakeholder inclusiveness, sustainability context and completeness.

The performance indicators reported are those envisaged

ged by the adopted reporting standards, representative of the various spheres of sustainability and consistent with the activities carried out and the impacts produced by the same. Specifically, the choice of these indicators was made on the basis of the materiality analysis and the aspects referred to by the Decree. The “Table of GRI indicators” is included at the end of the document, with the detail of contents reported, in accordance with the above-mentioned reporting standards.

Moreover, the end of the document also contains an appendix with data and information on Altamira and, in particular, on the Spanish company Altamira Asset Management S.A., the Cypriot company Altamira Asset Management Cyprus Limited and the Portuguese company Proteus Asset Management Unipessoal Lda.

This appendix was created in order to comply with the additional requirements of Spanish Law 11/2018 - implementing Directive 95/2014/EU - with respect to Legislative Decree 254/2016.

For the purpose providing a complete and in-depth overview of the performances of the Group, where possible, the published data are presented in comparative form. The quantitative information in relation to which estimates were used are duly indicated. Also note that the restatements of comparative data published previously are clearly indicated as such within the document.

With the objective of avoiding redundancy and repetition of other published documents which have already been prepared and contain the same information, references have been incorporated into this document.

This NFS was approved by the Board of Directors of doValue S.p.A. on 20 March 2020.

Pursuant to Article 3, section 10 of the Decree, the NFS was subject to specific declaration of conformity to the requirements of the Decree by EY S.p.A., as set out in the annex to this document.

In order to facilitate reading of the document, note that the following terms were used, with the relative meanings:

- “Group” or “doValue” to indicate the series of activities headed by doValue S.p.A., Italfondinario S.p.A., doData S.r.l., doSolutions S.p.A., doValue Hellas Credit and Loan Servicing S.A., Altamira Asset Management S.A., Altamira Asset Management Cyprus Limited and Proteus Asset Management Unipessoal Lda;
- “Parent Company” to indicate the series of activities headed by doValue S.p.A.;
- “Altamira” to indicate the series of activities headed by Altamira Asset Management S.A., Altamira Asset Management Cyprus Limited and Proteus Asset Management Unipessoal Lda;
- “Italy” to indicate the series of activities headed by doValue S.p.A., Italfondinario S.p.A., doData S.r.l., doSolutions S.p.A.;
- “Greece” to indicate the series of activities headed by doValue Hellas Credit and Loan Servicing S.A.;
- “Spain” to indicate the series of activities headed by Altamira Asset Management S.A.;
- “Portugal” to indicate the series of activities headed by Proteus Asset Management Unipessoal Lda;
- “Cyprus” to indicate the series of activities headed by Altamira Asset Management Cyprus Limited.

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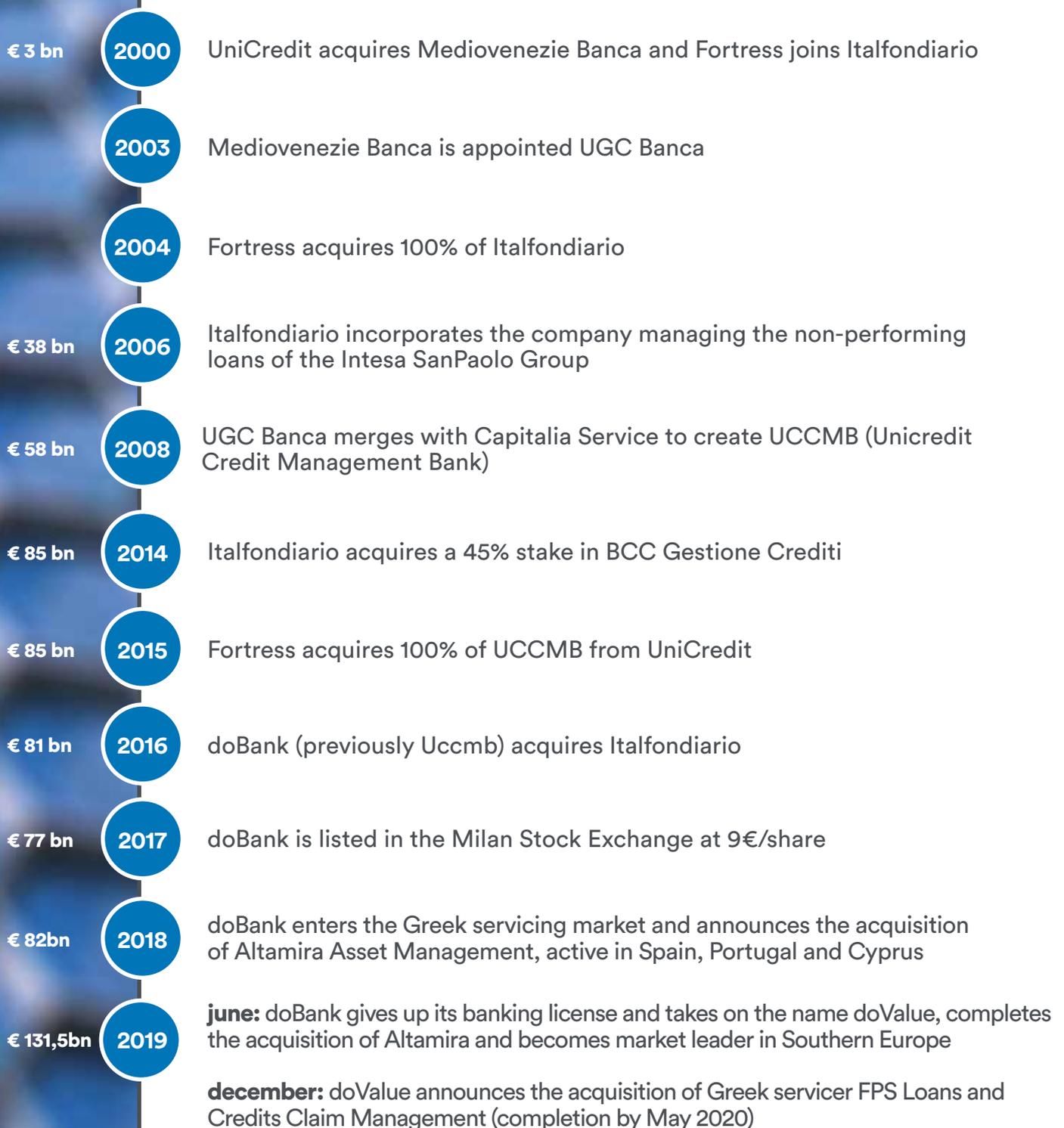




**DOVALUE  
GROUP**

# 1.1

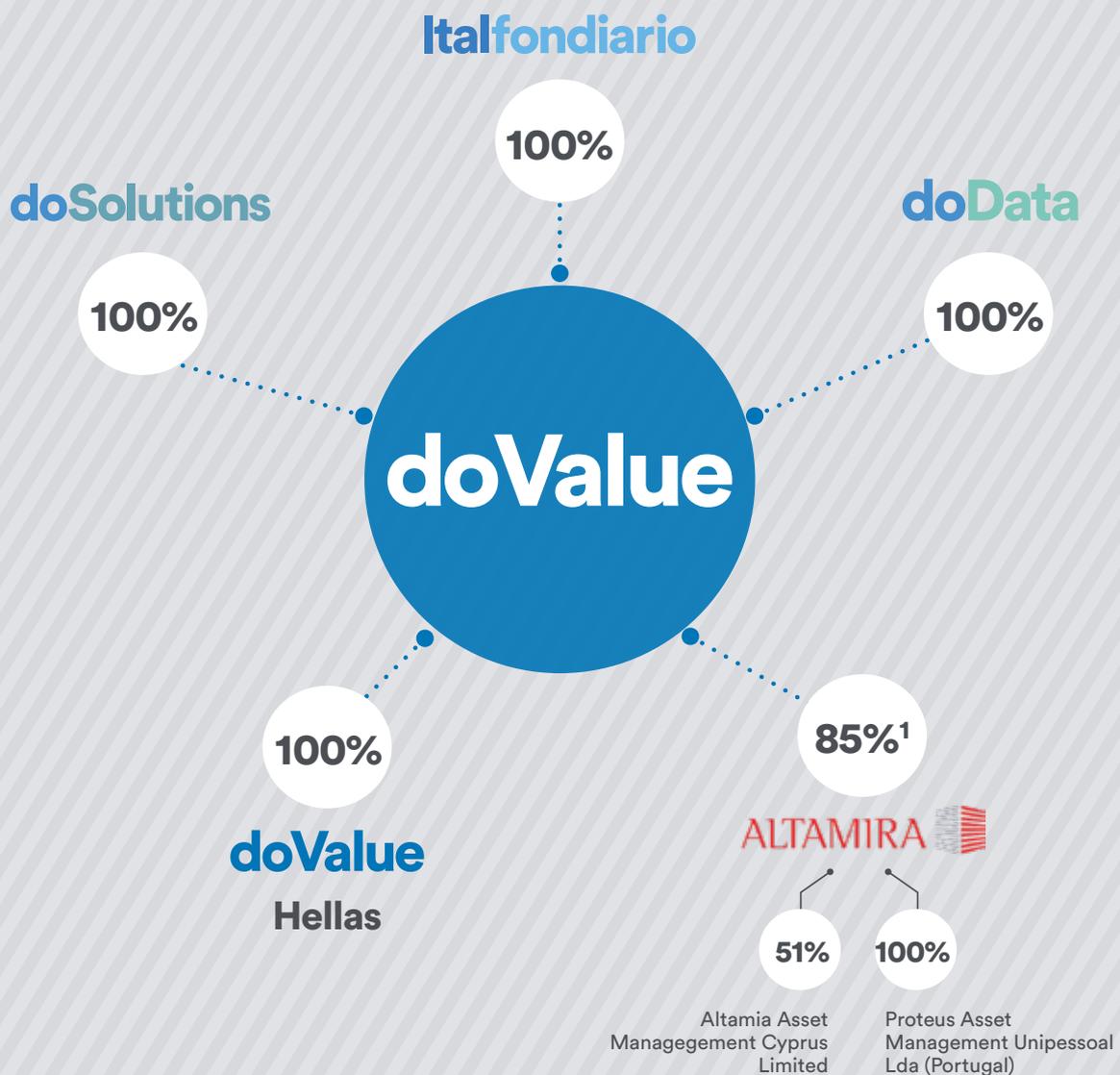
## doValue: a story of growth and diversification



# 1.2

## Composition of the doValue Group

As at December 31, 2019 the Group is broken down as follows:



A major deal completed in the month of June 2019 was the acquisition of an 85% stake in the share capital of Altamira Asset Management S.A., with its subsidiaries in Portugal, Cyprus and Greece. With this deal, doValue has established itself as the main operator in Southern Europe in the management of loans and real estate assets, with a portfolio of over €130 billion under management.

<sup>1</sup>Altamira also holds 100% of the class "B" shares of Altamira Asset Management Cyprus Limited and 100% of Altamira Asset Management Hellas Single Member Company.

# 1.3

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## Vision, mission and operational model

The strategic **vision** of doValue is oriented towards product innovation in the area of loan management, during the entire life cycle, and real estate assets. Thanks to the highest levels of specialisation and diversified and complementary expertise acquired through solid partnerships with the leading banking institutions and international investors, doValue is able to anticipate changes to the market and simplify processes, acting as a problem solver for clients and contributing to the development of solutions for the financial system.

The **mission** of doValue is to create value for banks and investors and contribute to growth, encouraging the sustainable development of the financial system. By means of diversified strategies defined in close collaboration with the client, guaranteeing its reputation, doValue seeks out-of-court debt collection solutions where possible in order to guarantee prompt recovery, maximise profitability and optimise the cost-performance ratio.

Backed by the expertise of over 2,350 people, doValue is the **top leader in Southern Europe for loan and real estate management services (“Servicing”), predominantly deriving from non-performing loans**, with a GBV (Gross Book Value – Assets under management) of over €130 billion at the end of 2019, compared to €82 billion at the end of 2018 (Group figure of €138.6 billion in 2018, including Altamira Asset Management).

If we include in the managed portfolio the agreement signed with Alpha Bank in Cyprus in October 2019, equal to approximately €4.3 billion and currently in the on-boarding phase, the GBV of the Group amounts to €135.8 billion.

The Group has over 20 years of experience in providing services for the management of loans and real estate assets, the highest servicer ratings on the market reco-

gnised by the top international agencies and a solid reputation.

The current composition of the Group reflects the focus of each company in a business area or geographic market and is consistent with the growth process pursued over the last 24 months, evolving to a significant extent both organically and externally.

In fact, in 2018, a significant corporate reorganisation was undertaken, which in June 2019 saw the Group take the form of a Servicing company governed by Article 115 of the Consolidated Public Security Act (TULPS), thus ceasing to be considered a banking group. The current organisation reflects the focus of doValue’s activities, entirely dedicated to Servicing, and permits a more optimal management of capital to support growth.

In 2019, doValue strengthened its leadership by acquiring 85% of Altamira Asset Management and signing, in December 2019, an agreement to acquire 80% of Eurobank Financial Planning Services (hereinafter “FPS”).

The acquisition of Altamira, one of the main Servicers of Non Performing Loans and Real Estate assets, and leader in Spain, Cyprus, Portugal and Greece, is an important step in the process of growth outlined by the 2018-2020 Business Plan, making doValue the leading sector operator in Southern Europe. FPS completes the Group’s positioning in the area, with leadership in the promising Greek market, expected to grow significantly over the medium term.

**2019 was therefore a fundamental year for doValue, which transformed its company profile, revoked its banking license and made international acquisitions, with long-term advantages for all stakeholders.** The Group closes 2019 by consolidating its leadership and

strengthening its role as strategic long-term partner, acquiring a significant position in the most promising NPE Servicing market in Europe.

Further growth potential in Italy and Greece over the next few years will derive from the development of the REO (Real Estate Owned Assets) services market, as banks and investors are expected to convert a significant percentage of their NPE (Non Performing Exposures) into real estate. The experience of doValue and Altamira in this sector will complete the FPS platform to offer its clients a complete set of real estate services.

In the Italian market, doValue's growth continued with the acquisition of new management contracts by banks and investors, particularly with the leadership in servicing of securitisations backed by state guarantee ("GACS").

**The updated 2019-2022 Business Plan was also presented during 2019, defining the new profile of doValue in light of the addition of Altamira and outlining the future developments of the Group over the next three years, characterised by:**

- greater geographical diversification: from leading Italian player to leader in five markets of Southern Europe;
- greater product diversification: from NPLs (Non Performing Loans), to management services for NPL, UTP (unlikely-to-pay), performing loans and Real Estate assets;
- growth in the clients portfolio: from approximately 40 in 2017 to over 75 in 2019, including three main "flow" contracts for exclusive management of the future production of NPL and Real Estate assets by leading European banks. Added to these contracts is the ten-year flow contract with Eurobank, upon completion of the acquisition of FPS.

The product diversification, larger client portfolio and financial solidity of doValue are particularly important in the current market scenario, characterised by different macroeconomic and product cycles able to offset one another in the broader South European market, greater focus by clients on servicing of real estate assets and UTP loans and, lastly, possible consolidation scenarios among operators of the servicing sector that facilitate M&A opportunities.

The distinctive points of the doValue business model are confirmed even after its increase in size and greater diversification: an independent and "asset-light" servicing platform that does not envisage the purchase of portfolios of loans and is based on long-term management contracts with leading financial institutions and specialised investors.

The update of the Business Plan to 2022 includes important financial and economic objectives and envisages growth in revenues for doValue thanks to:

- new mandates for the management of NPL, UTP and Real Estate assets for €4-5 billion per year in Italy, €1-2 billion per year in Spain and Portugal, over €1 billion per year in Greece and new mandates in Cyprus;
- development of the Real Estate activity particularly in Italy and Greece, optimising on the track record in international development of Altamira and on the higher potential of asset repossession activities in Italy as an asset management strategy;
- greater efficiency in recovery activities, with an increase in the Group collection rate;
- expansion of ancillary services for increasingly higher adoption by clients of the data quality and governance services, in addition to legal services, due diligence and Master Servicing.

The long-standing operational experience of doValue in Italy and abroad has enabled the Group to acquire vast and extensive knowledge that represents a clear and sustainable competitive advantage. This information is collected through loan management activities both directly, through asset managers and the companies and departments in charge of ancillary products, as well as indirectly through the network of external consultants, lawyers and professionals. The collected data, duly structured, represent the basis of the Group's technological infrastructure, used to clearly analyse each practice and make decisions in a rapid and efficient manner to maximise value for the client.

As at December 31, 2019, the Group can rely on a network of external consultants including 1,000 lawyers and 300 professionals with extensive experience in their respective fields, as well as 60 debt collection companies. This network guarantees extensive coverage across Italy (the doValue Group is present in all 140 Italian courts) and enables the Group to benefit from an in-depth understanding of the timing of judicial processes, the dynamics of local real estate markets and other market factors that may be crucial for an effective loan collection process.

**doValue offers an efficient operational model to banks and investors which can be customised according to the client's needs. The model is based on four key factors: experience, long-term track record, systems and operations and professional resources.**

## Experience

Optimising on the high level of specialisation and professionalism of its Management and its resources, together with a strong propensity for innovation and consolidated experience in the NPE market, the Group is able to provide banks and investors with a complete and integrated offer of ancillary services to Servicing, such as services of a commercial and real estate nature.

## Strong & Long Dated Track Record

doValue boasts an excellent operating model, an excellent track record that covers the entire loan life-cycle and top servicer ratings at the European level. The Group is able to provide a specialised consultancy service aimed at identifying the most appropriate recovery and asset enhancement strategy, using a scalable and modular management platform.

## System and operations

doValue uses an IT system with a database developed in the course of over twenty years of activity designed specifically to manage high loan volumes, optimising busi-

ness processes and streamlining the credit management process. Thanks to this powerful infrastructure, the development of detailed reports further improves the precision of the management monitoring process.

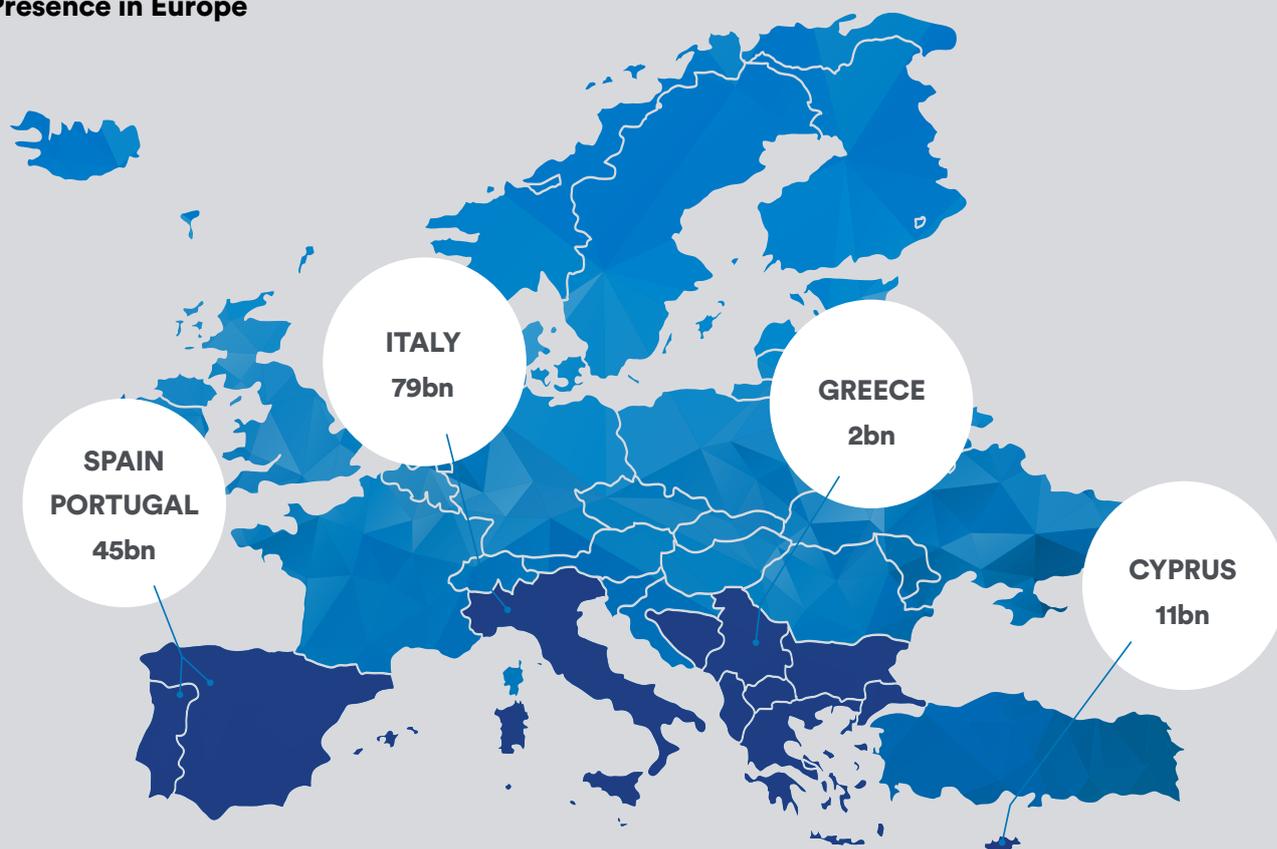
## Professional resources

People represent a fundamental asset for doValue. Their enhancement and the development of professionalism, at the basis of the Group's growth, are essential elements to face the challenges of an increasingly competitive market.

In light of the growing internationalisation, doValue ensures quality training programmes in line with the strategic decisions and organisational requirements.

The Group benefits from an experienced Management team and highly qualified collaborators, whose skills and competencies are constantly updated thanks to a continuous and multi-channel training programme, from e-learning to learning-by-doing and classroom-based training sessions.

## Presence in Europe



# 1.4

## Legal status and shareholder structure

doValue S.p.a. is a joint-stock company whose share capital is composed of 80,000,000 ordinary shares, including 1,164,174 treasury shares.

As at January 15, 2020, based on the notices issued by Consob regarding major shareholdings, the shareholding structure of doValue is composed as follows:

### SHAREHOLDER AS AT 15 JANUARY 2020

Indirecting holder	Shareholder	No. of Shares	% Shares	N. Total shares	Total shares held
Softbank Group Corp.	AVIO S.a.r.l. (*)	20,040,000	25.05%	21,502,079	26.88%
	Other investors attributable to Softbank Group Corp. (*)	1,462,079	1.83%		
EJF Capital LLC	EJF Debt Opportunities Master Fund, L.P (**)	6,812,243	8.52%	8,589,304	10.74%
	EJF Debt Opportunities Master Fund II, L.P (**)	1,777,061	2.22%		
Jupiter Asset Management Ltd	Nortrust Nominees Ltd (***)	4,108,697	5.14%	6,165,978	7.71%
	Other investors attributable to Jupiter Asset Management Ltd (***)	2,057,281	2.57%		
	doValue (own shares)	1,164,174	1.45%	1,164,174	1.45%
	Other	42,578,465	53.22%	42,578,465	53.22%
	<b>TOTAL</b>	<b>80,000,000</b>	<b>100.00%</b>	<b>80,000,000</b>	<b>100.00%</b>

(\*) Shareholders attributable to SoftBank Group Corp - as resulting from the Mod120A communication of December 27, 2019

(\*\*) Shareholders attributable to EJF Capital LLC as resulting from the Mod120A communication of January 15, 2019

(\*\*\*) Shareholders attributable to Jupiter Asset Management Ltd as resulting from the Mod120A communication of October 18, 2017

The shareholding structure of doValue includes the main institutional investors and international asset managers, demonstrating the market interest in the Servicing sector and the company's high standing with financial stakeholders. For further details on the Group structure, reference should be made to the dedicated section in the Consolidated Reports and Accounts as at December 31, 2019.

# 1.5

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## Strategic goals and value creation

The activities of the doValue Group are concentrated exclusively on the supply of services for banks and investors through the entire life cycle of loans and Real Estate assets (“Servicing”).

With over 130 billion in assets under management and an approximate 20-year track record, doValue is the main servicer in Southern Europe. It has an independent business model aimed at all banks and investors on the market and is “asset light”, which does not envisage direct investments in loan portfolios.

The activities of doValue are remunerated through long-term fee-based contracts that envisage a fixed commission linked to the assets under management, as well as a variable commission linked to the results of servicing activities, such as collections of non-performing loans or sale of real estate assets owned by clients.

Services provided by the Group may be classified into the following categories:

- “NPL Servicing”: services comprising loan administration, management and recovery activities, through in-court and out-of-court recovery processes for and on behalf of third parties with regard to portfolios of predominantly non-performing loans;
  - in the NPL Servicing area, doValue focuses on corporate loans by banks, generally medium to large in size and with high real estate collateral;
- “Real Estate Servicing”: activities regarding the management of real estate assets on behalf of third parties, including:
  - “real estate collateral management”: activities aimed

at the development and sale, directly or through intermediaries, of real estate owned by customers originally used as collateral for bank loans;

- “real estate development”: analysis, realisation and marketing of real estate development projects involving the assets owned by customers;
- “property management”: monitoring, management and maintenance of customers’ real estate assets, with the aim of maximising profitability through sale or lease;
- “UTP Servicing”: administration, management and restructuring of loans classified as “unlikely-to-pay”, on behalf of third parties, with the objective of facilitating their transition to “performing” status;
- “early Arrears and performing loans servicing”: management of performing loans or arrears of less than 90 days, not yet classified as non-performing, on behalf of third parties, to support the creditor and facilitate a rapid transition to “performing” status;
- data and ancillary services: collection, processing and provision of commercial, real estate and legal information relating to debtors, and other services strictly connected to credit recovery activities, such as:
  - “Due Diligence”: services including the collection and organisation of information in data room environments, as well as the analysis and assessment of loan portfolios for the preparation of business plans for collection and recovery activities;
  - “Master Servicing and Structuring”: administrative, accounting, cash management and reporting services to support loan securitisation transactions; services including structuring of securitisation vehicles under Law 130/1999, as well as performing the role of authorised entity in securitisation transactions;

“Master legal”: preliminary and coordination services for activities to support credit recovery in court, including documents analysis, preparation of legal opinions and assistance in the preparation of legal action;

- “Co-investment”: activities of co-investment in loan portfolios in partnership with major financial investors, where such activities are instrumental in obtaining servicing contracts. This business involves taking minority positions in securities issued by securitisation vehicles governed by Law 130/1999.

Both doValue and Italfondario, in their capacity as special servicers, have been rated “RSS1-/CSS1-“ by Fitch Ratings, and “Strong” by Standard & Poor’s. The Servicer Ratings assigned to doValue and Italfondario are the highest of those assigned to Italian operators in the sector. In addition, these ratings were assigned to the two companies back in 2008, before any other operator in the industry in Italy. In 2017, doValue was also assigned a Master Servicer Rating of “RMS2/CMS2/ABMS2” by Fitch Ratings, which was also improved by a notch in 2019.



# 1.6

## Ethics and business integrity

### 1.6.1 Code of Ethics and internal regulations

The doValue Group is strongly committed to maintaining the highest ethical and moral standards. The diffusion of corporate culture and values aimed at supporting the entire organisation's respect of ethical behaviour and existing legislation has a fundamental role in all countries in which the Group operates.

The Italian companies and Greek company have had a **Code of Ethics** since July 2016 which defines the ethical principles, duties and responsibilities assumed with regard to all parties who collaborate with the Group to achieve the company's objectives. This aims to ensure that the conduct of all parties is always based on principles of correctness, collaboration, loyalty, transparency and mutual respect, as well as avoiding cases of any unsuitable conduct. The Code of Ethics is directed at all internal parties of the companies, as well as external parties who, by virtue of contractual relationships, collaborate with the companies in the course of their activities. In particular, when selecting its commercial partners the companies ensure that the ethical principles applied by the potential partners are in line with those of the Code of Ethics, contributing to the creation of a shared ethical culture.

In 2018 and 2019 the Group extended its geographic boundary of operations with doValue Hellas and the acquisition of Altamira. For this reason the revision of the Code of Ethics has begun at Italian level, which should be concluded in the first half of 2020.

Altamira has also adopted its own **Code of Conduct** intended for the Board of Directors, management and staff, which defines the rules for good corporate governance.

The document spells out the key principles of business operations: respect for legality, objectivity and integrity, respect for human rights (in line with that which is envisaged by the Universal Declaration of Human Rights) and respect for the environment and urban balance. All employees are obliged to know the Code of Conduct, respect it and cooperate in order to facilitate its implementation, also indicating any cases of infringement.

The Code of Conduct can be consulted by employees on the company intranet, together with other policies and documents aimed at disseminating good business practices, including: the Compliance Policy concerning the avoidance of any criminal behaviour, the Global Policy on conflicts of interest and transactions with related parties, the protocol on the Policy of free gifts, a guide on the prevention of anti-money laundering, the approval and contractualisation procedure of suppliers, the Policy on the proper use of information systems and some informative notes on the GDPR (General Data Protection Regulation).

Confirming the soundness of the protections in act in favour of ethics and integrity, it should be pointed out that also in 2019, the Group was not involved in legal actions, nor did it receive any penalties for anti-competitive or antitrust behaviour and monopolistic practices and did not receive financial penalties or sanctions for non-compliance with laws or regulations concerning social and economic matters.

## 1.6.2 Model 231 and Whistleblowing

In 2017-2018 the Italian companies defined their “framework 231” in the context of managing, according to a logic of reconciliation and coordination between the Group companies, the risks relating to administrative responsibility pursuant to Italian Legislative Decree no. 231/2001. The Parent Company and all the Italian companies have adopted and implement their own Organisation, Management and Control models in accordance with Legislative Decree no. 231/2001 (“Model 231”).

In December 2019 a project was launched aimed at updating the Models 231 of doValue and Italfondario, parallel with the fine tuning of the doData Model 231, and analysing any risk profiles which could be conducted to the Parent Company in terms of responsibility for relevant offences in Italian Legislative Decree no. 231/2001 which could potentially be committed by the foreign companies.

In implementation of the provisions of Italian Legislative Decree no. 231/2001 and in line with statutory regulations, the Board of Directors appoints the Supervisory Committee, which is entrusted with supervising the implementation and observation of the Model 231 and its renewal. The Supervisory Committee, which operates continuously, supervises the functioning of and compliance with the Models 231 and monitors and assesses the implementation of preventive measures, reporting periodically to the Board of Directors and the Board of Statutory Auditors.

**On a consistent basis with the principles of Italian Legislative Decree no. 231/2001, the Models 231 of the Group include a whistleblowing channel of violations, also anonymously.** The reports can be made directly with the Supervisory Committee, or with a Manager, who is obliged to immediately transmit them to the Supervisory Committee.

The Supervisory Committee protects whistleblowers from any form of retribution, discrimination, penalty or any other consequence deriving from the whistleblowing, undertaking to respect the confidentiality of their identity unless otherwise prescribed by legal obligations or to protect the rights of the company or the parties accused falsely and/or in bad faith.

In the context of management of the Models 231, a specific system is provided for Italian companies for the detection of risks and controls relating to corruption.

Until the first half of 2019, a system for reporting illegal behaviours was active at an Italian level, within the meaning of the provisions on Whistleblowing, accessible by employees and by the external network. Illicit conduct refers to behaviour that may damage or prejudice the company or its employees, including in terms of reputation, and includes:

- criminal offences, if related to crimes committed by employees in the course of their duties (including but not limited to: corruption, theft, extortion, internal fraud, counterfeiting, usury, etc.);
- irregularities in the fulfilment of administrative, accounting and fiscal obligations;
- irregularities with regard to anti-money laundering;
- breaches to the privacy code;
- breaches to the Code of Conduct;
- breaches to internal regulations;
- cases of potential conflict of interest;
- facilitation of any of the cases listed above.

Always at the Italian level, the definition and implementation of reconciliation and coordination mechanisms is provided for with the Whistleblowing system according to Italian Legislative Decree no. 231/2001, which will be reactivated by June 2020, as well as the definition of a platform that will allow all employees to anonymously and efficiently report any illicit action.

**Altamira has also provided measures to facilitate the reporting of alleged offences of that which is envisaged by the Code of Conduct, through a Whistleblower hotline and a Whistleblower hotline protocol.**

The Whistleblower hotline envisages both physical and digital channels and is a direct and confidential tool available to employees. The latter are made aware of the presence of the hotline through appropriate communications in shared office spaces.

The Whistleblower hotline protocol instead regulates the procedures to be followed in the event of receiving reports on illicit actions and provides clear and transparent instructions about the activities to be carried out, ensuring the confidentiality of the information received at all times.

### 1.6.3 Prevention of corruption

The Models 231 are only one of the many protections that the Group has arranged for preventing and combating bribery and corruption.

Already in 2018 the Italian companies and the Greek company of the Group adopted an anti-corruption framework, including specific regulatory and internal control protections and expressed in an Anti-corruption Program which is consistent with the Group's strategic objectives.

Furthermore, **in March 2019 an Anti-corruption Policy was approved** that establishes detailed procedures referring to important areas at risk of corruption, including:

- the gift-receiving procedure;
- charities and donations;
- sponsorships and partnerships;
- third parties;
- relations with the Supervisory Authority.

The third-parties procedure has envisaged the insertion of an anti-corruption protection during the pre-qualification and qualification of suppliers. The Compliance function has identified the criteria for reporting any criticalities underway.

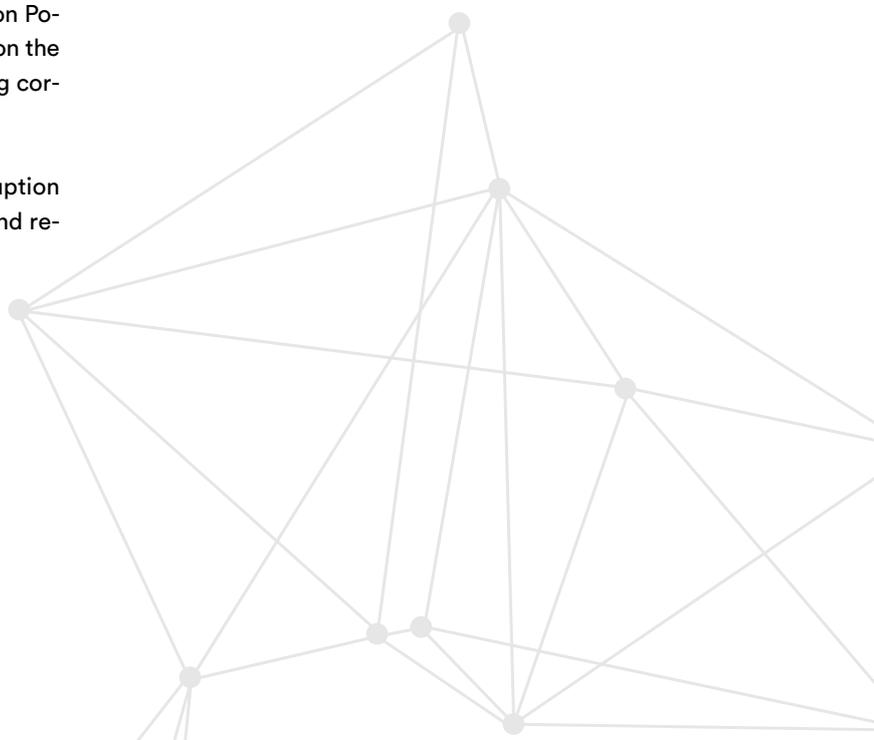
**The action plan for strengthening the Group's anti-corruption system envisages a risk assessment activity in 2020 for the Italian and Greek legal entities, the integration of Altamira in the anti-corruption framework of the Group and the possible updating of the Anti-corruption Policy.** Already in February 2020, the Board of Directors of the Parent Company approved the Anti-corruption Policy again following the introduction of information on the Whistleblowing system and on the role of managing corruption risk in the Italian and Greek subsidiaries.

Finally, doValue intends to integrate the Anti-corruption Legislation within its Procedure for the selection and recruitment of staff.

**As for Altamira, the Spanish company has a Criminal Risk Prevention Model and has developed a proper system of checks of corruption risks**, in line with the regulatory requirements of the Organic Law 1/2015 of 30 March, of Circular 1/2016 of the Prosecutor General and some standards recognised at national or international level (including ISO 19600 on the compliance management system, ISO 37001 on the anti-corruption management system and standards UNE 19601 and UNE 165019 on criminal compliance management systems). The Model covers various crimes related to corruption, money laundering and financing terrorism, evaluated on the basis of proven risk management methodology on which constant control mechanisms are in force. Although this Model only applies to the Spanish company, Altamira is working in order to replicate it in all the other countries where it is present.

The effectiveness of the Model is monitored through an Annual Monitoring and Follow-up Plan, where the checks that must be performed to prevent and mitigate the risks are defined.

Also in the course of 2019, as for the previous two reporting years, there have been no reported cases of corruption in the Group.



## 1.6.4 Anti-money laundering

In the context of company management and in line with current legislation, the Italian companies of the Group implemented a series of measures aimed at providing full knowledge of the customer, tracking financial transactions and identifying suspicious transactions.

Across all the above obligations, **the Group implements level one, two and three controls on processes for preventing and countering the risk of money laundering and terrorism financing.** The risk management is inspired by the principles of:

- **proportionality**, understood as the application of regulatory provisions based on the nature of the activity carried out, the type of services provided, the operational complexity and the dimensions of the Group as a whole and of the individual companies in said Group;
- **independence**, understood as the direct access of the single Functions to the Strategic Supervisory Body and the Control Body. Independence is defined in the context of the mandate through which the Board of Directors, having consulted the Board of Statutory Auditors, approves the constitution of the Anti-money laundering (AML) Department, defining its role, context, jurisdiction, responsibilities and prerogatives through this Regulation;
- **authority**, understood as the free access of the Manager of the AML Department and its representatives to all company activities, as well as any information relevant to the performance of its duties, including by way of direct contact with employees;
- **autonomy and adequacy of resources**, understood as the availability of human, technical and economic resources, of a direct or indirect nature, able to prevent situations of undue subjection with regard to operating departments, taking into account the operational and organisational complexity and size of the intermediary, as well as the nature of the activity carried out;
- **dissemination**, understood as the enlargement of the boundary of the risk of money laundering and terrorism financing.

Altamira has also implemented some specific measures to prevent money laundering and terrorism financing (FT), even going beyond the requirements provided for in Article 2.1 b) of Italian Law 10/2010 of 28 April. In fact, the company has implemented an “**Anti-Money Laundering and Terrorism Financing Prevention Area**” for both RED (Financial assets) and REO (Real-estate assets) activities.

In particular, it has adopted a manual that describes its AML and TF Model and the procedures of due diligence, information, conservation of documents, internal control, risk assessment and management, legal compliance and communication.

Moreover, Altamira has appointed: (i) a representative before the SEPBLAC who is responsible for compliance with the reporting requirements established by the AML/TF Law; (ii) an Internal Control Committee (“ICC”) responsible for the implementation of the AML/TF procedures that reports directly to the Board of Directors of Altamira and delegates the representative to report any cases to the SEPBLAC (iii) a technical unit for the processing and analysis of the information (“AML Technical Unit”).

According to Italian Royal Decree 304/2014, the AML/FT measures must be applied to all the subsidiaries of Altamira. Therefore, the Spanish company has also developed and implemented the procedures and bodies required by Portuguese law in Portugal, guaranteeing the respect of mandatory local regulations and appropriate coordination with the policies of Altamira. In Cyprus, AML Compliance is managed by Cyprus Cooperative Bank LTD, as agreed by the parties. However, the Cyprus company is currently working on the preparation of its own AML and TF manual.

### 1.6.5 Model 231 and AML Training

**With regard to Model 231, Italy has provided a broad training plan for 2020, following the revision of the Organisational Model due to the new company structure. The plan provides for the provision of about 20 sessions for all employees.** For this reason it was agreed along with the Compliance Officer to not plan further training sessions in the matter in 2019.

Similarly, it was agreed along with the AML Officer that there was no need to provide further training to employees in 2019 in the absence of specific regulatory updates. However, three intercompany professional upgrading courses were organised for three resources of the AML Function focused on:

- Anti-money Laundering News: adequate verification, procedures and controls;
- Annual Anti-money Laundering - New regulations, organisational impacts and future prospects;
- Anti-money laundering adequate customer verification: analysis of the impact of new provisions on operations.

Training sessions relating to AML were carried out in Greece in 2019. They involved 24 employees, equal to 75% of the workforce, including four middle managers and 20 staff.

As for Altamira, all the employees of the Spanish company received training and communication on the fight against corruption in 2019. The Cyprus and Portugal subsidiaries were not involved in similar activities in the course of the year.

Finally, specific courses on Anti-money Laundering legislation were not carried out in 2019 for the external out-of-court network (natural-person professionals and credit recovery companies). However, it should be noted that in dealing with parties in registers or licensed pursuant to 115 TULPS (Consolidated Text of Laws on Public Security), these parties are held, also autonomously, to attend training courses in the field.

The Group is committed to respecting the highest ethical and moral standards in all of the countries in which it operates

# 1.7

## Governance and risk management

### 1.7.1 Risk identification and management

**The doValue Group, in line with the reference regulations and best practices, is equipped with an internal control and risk management system which aims to constantly monitor the main risks connected with its activities, in order to guarantee sound and prudent company management consistent with the pre-established performance and corporate asset safeguarding objectives.**

These objectives are pursued through the adoption of a set of instruments, organisational structures, standards and corporate rules to support the process of identification, measurement, management and monitoring of company risks. In particular, the Group has structured its organisational model of internal controls to ensure the integration and coordination between the players involved, in respect of the principles of integration, proportionality and cost-effectiveness.

In the first half of 2019 the structure of the Group's internal controls and risk management system was affected by revisions seeking to reflect the impacts arising from the reorganisation of the doValue Group and from changes in the regulatory framework of reference, including the following essential elements:

- transformation of the Banking Group Parent Company into a credit management company authorised pursuant to art. 115 TULPS (Consolidated Text of Laws on Public Security);
- dissolution of the pre-existing banking Group;
- persistence of the subsidiary Italfondario, a financial intermediary listed in the register 106 TUB (Consolidated Law on Banking), to which the Supervisory Regulations of Circular no. 288 of 3 April 2015 of the Bank of Italy is directed.

These elements have guided the revisions of the structure of the internal controls and risk management system, which has been affected by the following main changes:

- redefinition of the Direction, coordination and control model of the Group and of the role played by the Parent Company in this model, through having exceeded the set-up mainly founded on the requirements of the Supervisory provisions of the Bank of Italy and its expression within the time limits laid down in the Italian Civil Code for economic groups;
- extension of the mission of the Internal Audit function with the integration of the execution of periodic checks for compliance with regulatory matters relevant to the Parent Company and unsupervised subsidiaries;
- revision of the articulation and mission of other Company Control Functions that has led to i) the constitution in the subsidiary Italfondario of a single Risk Management, Compliance and AML Function overseeing the management and monitoring of all the risks in accordance with the requirements of Circular no. 285/2013 of the Bank of Italy; ii) focusing the Operational Risk Management and Compliance & DPO Organisational Unit in the Parent Company, to oversee specific regulatory/applicable risk/relevant matters; iii) confirmation of a governance model centralised at Group level of the regulatory and procedural framework aimed at the prevention of the phenomenon of money laundering, in line with the dictates of the IV Community Directive on the subject, with the reconciliation, nonetheless, of the operational boundary of the Anti-money Laundering Function of doValue to the Parent Company and unsupervised subsidiaries and the institution of autonomous Anti-money Laundering Functions within the context of the organisational structures of Italfondario and doValue Hellas;
- revision and updating of the information flows relating to the internal controls system in order to make the

model consistent with the new organisational structure of the Parent Company, as well towards the Supervisory Authority.

Net of these organisational changes, the internal controls and risk management system continues to be structured as follows:

- the primary responsibility for the completeness, adequacy, functionality and reliability is attributed to the governance bodies, and in particular to the Board of Directors, which is responsible for the strategic planning, management, evaluation and monitoring of the overall internal control system. In particular, the CEO serves the role of Director responsible for supervising the functionalities of the internal controls and risk management system, pursuant to the Code of Conduct. It is instead the task of the Board of Statutory Auditors to ensure the completeness, adequacy and functionality of the system, ensuring the adequacy of the business functions involved, the correct execution of tasks and the adequate coordination of the same, also by promoting any corrective measures;
- level one controls are aimed at ensuring the proper conduct of operations and are carried out by the company functions responsible for the business/operational activities which serve, in the context of day-to-day operations, to identify, measure, monitor and mitigate the risks arising from the ordinary company activities in compliance with the risk management process and the applicable internal procedures;
- level two controls aim to ensure the correct implementation of the risk management process, to verify observance of the limits assigned to the various operating functions, to control the consistency of the operations of the individual production areas with the risk-return objectives assigned as well as guarantee the compliance of company operations with the rules, including those of self-regulation;
- level three controls are targeted at periodically evaluating the completeness, functionality, adequacy and reliability in terms of the efficiency and effectiveness of the internal control system in relation to the nature and intensity of the risks of the company requirements, by also identifying any breaches of the organisational measures adopted by the Group.

Within the sphere of the internal controls and risk management system outlined, the Parent Company's Internal Audit Unit is assigned the direct management of the in-

ternal audit activities, with a view to third level control, both on behalf of the Parent Company and the subsidiary companies, without prejudice to the competence and the responsibilities of the Company Bodies of the latter. The activities of the Unit are aimed at periodically assessing the completeness, operation, suitability and reliability of the internal controls and risk management system in terms of efficiency and effectiveness, including those on the IT system (ICT audit).

In order to fulfil its tasks and responsibilities, the Function is responsible for:

- ensuring constant and independent supervisory action on the due performance of the operations and the processes of the Parent Company and the subsidiaries, to prevent or detect the arising of anomalous and risky conduct or situations;
- periodically assessing the completeness, adequacy, functioning and reliability of the organisational structure and the other components of the internal controls system;
- carrying out the controls (level three), also by means of in situ checks (both care of the Group companies and care of their foreign branches/offices), with regard to the regular performance of the company operations and the evolution of the risks, including the outsourced activities, in addition to identifying any violations of the procedures and the regulations;
- monitoring compliance with the rules of the activities of all business levels, both through the conduct of compliance audit assignments and through specific periodic compliance checks;
- checking the correct and accurate exercise of the delegated powers and the full and correct use of the available information within the sphere of the various company activities;
- checking the suitability and correct functioning of the processes and the methods for assessing the business activities, in particular the financial instruments;
- checking, with reference to the supervised subsidiary Italfondinario, the adequacy of the level two control functions and the related processes of risk identification, measurement and control;
- checking the suitability, overall reliability and security of the IT system as well as the operational continuity plan and the related updating process, ensuring assessments on the main technological risks which can be identified and on the overall management of the IT risk;
- checking the regularity of the various applications, in-

frastructures and management processes of the Group, including any outsourced components, also by means of checks (also of the operational continuity plans) care of third party suppliers and key suppliers, annually preparing the report on the important outsourced operating functions of the subsidiary Italfondario;

- carrying out ad hoc interventions upon the specific request of the Company Bodies and/or the external Supervisory Authorities, and fulfilling assessment duties also with regard to specific irregularities;
- preparing an annual report on the revision of the ICA-AP process (Internal Capital Adequacy Assessment Process), of the supervised subsidiary Italfondario;
- checking, for the servicing activities, the adequacy and the functioning of the process for managing and monitoring the performance of the securitised assets, as well as that for checking the compliance of the transaction with the law and the information prospectus;
- monitoring the effective implementation of the action plans and checking the removal of the detected anomalies;
- participating, where necessary, in the company work groups on project aspects (e.g. new products, channels, systems, processes, etc.), also to point out useful elements for the correct design of the controls system;
- seeing to the adoption, in collaboration with the other control units, of initiatives aimed at facilitating the coordination and exchange of information so as to ensure an overall and integrated view of the internal controls system;
- ensuring support for senior company management when furthering and divulging a suitable and sound culture of the controls within the Group;
- ensuring prompt and systematic disclosure to the company governance Bodies on the state of the system of controls and the results of the activities carried out.

The transition of the pre-existing Risk Management Function of the Parent Company to the current Operational Risk Management Organisational Unit was guided by the need to give a more operational and contiguous role to the business processes in the management of the main risks arising from the Group's new scenario (e.g. operational and reputational risks).

The Operational Risk Management Organisational Unit therefore has the task of presiding over the management of the relevant risks to which the activities of the Parent Company are exposed, with particular reference to operational risks, through the definition of the relative gui-

delines as well as the identification and monitoring of the above risks, using suitable methodological approaches, procedures and instruments and ensuring the appropriate information is provided to the Company Bodies.

In particular, the Function is responsible for:

- identifying, measuring and monitoring the key risks using methodological approaches, techniques, instruments and procedures consistent with the degree of complexity of the company operations;
- contributing to the establishment of operating limits on the assumption of the various types of relevant risk, with particular reference to operative ones;
- developing systems for the measurement and control of major risks for management purposes and indicators able to highlight anomalous and inefficient situations (e.g. KORI indicators);
- planning control interventions on the risks to which the company is exposed to ensure the adequacy and effectiveness of the measures taken to remedy the weaknesses identified in the risk management process;
- ensuring, through the drafting of reports, the provision of the necessary information on the results of the risk monitoring activities to the competent Company Bodies (as well as the trading partners of the company in the cases and in the manner envisaged by the contracts in place).

The activity carried out by the Operational Risk Management Organisational Unit is also aimed at mitigating reputational risk, in cases where the latter "derive" from operational risk, in view of the close interconnection of the two risks and of the opportunity to have unitary management of the actions to be taken for their management or mitigation.

As for the Risk Management, Compliance & AML Function of Italfondario, a Risk Management Organisational Unit is instead in place, responsible for the prevention, monitoring and management of risks arising from the activities of the company in its various components, in line with the requirements of the regulatory provisions to which the company is subject.

The structure is responsible for:

- identifying, measuring, monitoring, preventing or mitigating, as well as communicating to the appropriate hierarchical levels, the risks to which the company is exposed, adopting reliable methodological approa-

ches, techniques, procedures, applications and tools that are consistent with the degree of complexity of the company's operations;

- collaborating in the definition, implementation and verification of the adequacy of the risk management process and relative governance policies, including setting operating limits for the assumption of the various types of risk;
- ensuring an integrated vision, in current and prospective terms, in the context of capital and organisational risk and adequacy, coordinating the operational implementation activities of the capital adequacy self-assessment process ICAAP of Italfondario and seeing to its formalisation in a specific annual document (ICAAP Report);
- ensuring the development and maintenance of the measurement and control systems of major risks both for regulatory and management purposes, identifying and applying indicators able to highlight anomalous and inefficient situations of the risk measurement and control systems;
- checking the adequacy and effectiveness of the measures adopted to remedy the deficiencies identified in the risk management process which are directly covered;
- checking the proper conduct of the credit performance monitoring;
- analysing the risks of new products and services and those arising from the entry into new operating and market segments;
- providing adequate risk information to the Company Bodies, to the other Control Functions and any other interested functions;
- with reference to the management and monitoring activity of securitised asset performance, examining the trend of collection activities and cash and payment services at least once every six months, drawing up appropriate reports.

With regard to the management of compliance risk, the approach adopted by the Group is mainly substantiated in:

- monitoring external legislation applicable to its various components;
- providing advice and support to the operational and business structures in the evaluation of the interventions necessary to continuously ensure compliance with the requirements in force from time to time;
- staff training to ensure the spreading of a business culture characterised by principles of honesty, correct-

ness and compliance with company regulations;

- assessment of the level of suitability of the business processes, the systems and the organisational set-ups for mitigating the risk of non-compliance with the applicable legislation;
- periodic control and monitoring activities of the remediation plans to continuously check the correct progress of the actions identified by Management;
- provision of suitable information flows, in relation to the activities carried out regarding the management of the non-compliance risk.

Also in this case, the reorganisation of the internal controls and risk management system of the Group in 2019 has led to the elimination of the central role of the Compliance Function in the Parent Company and unsupervised subsidiaries, in the implementation of the approach and the attribution of responsibility to preside over specific regulatory matters within the organisational structures involved from time to time. This central role under the responsibility of the Risk Management, Compliance and AML Function is instead confirmed for the subsidiary Italfondario, in line with the requirements of the regulatory provisions to which the company is subject.

With reference to the coverage of the risk of money laundering and terrorism financing, the AML Compliance Function has a transverse responsibility in carrying out the following macro-activities:

- identifying the applicable rules and assessing their impact on internal processes and procedures;
- collaborating in the definition of the internal controls system and governance policies, and of the management of the money laundering and terrorism financing risk;
- providing consultancy, assistance and support activities to the operational structures;
- continuously checking the adequacy of the money laundering risk management process and the suitability of the internal controls system and procedures and proposing the organisational and procedural changes aimed at ensuring an adequate supervision of the money laundering risks;
- leading the annual internal assessment of money laundering and terrorism financing risks;
- performing level two checks and defining the appropriate corrective actions to be implemented to mitigate the risks of money laundering and terrorism financing;
- providing support and assistance to the Company Bo-

dies and to senior management, as well as a priori evaluating the risk of money laundering connected to the offering of new products and services;

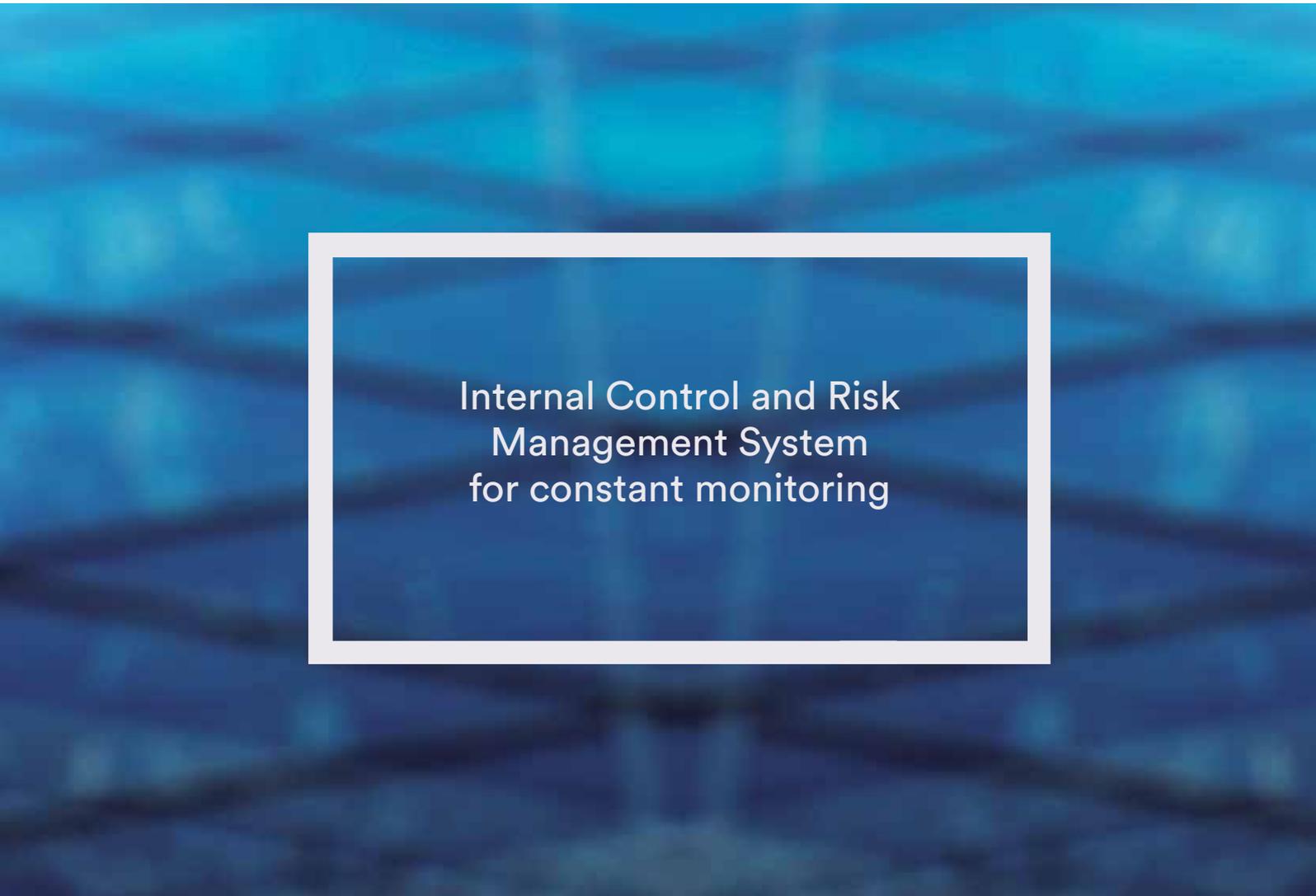
- checking the reliability of the information system for the fulfilment of customer due diligence procedures, data retention and reporting of suspicious transactions, defining the requirements of the computer tools to support these processes;
- supporting the line structures in carrying out the obligations relating to customer due diligence procedures, analysing the results with particular reference to the processes of strengthened verification;
- handling the process for the assessment of suspect transactions regarding anti-money laundering and anti-terrorism, for any reporting and transmission of the same to the Financial Information Unit (U.I.F.);
- seeing to, in agreement with the other competent business functions in relation to training, the provision of

an adequate training plan aimed at successfully updating staff on an ongoing basis;

- promptly informing the company bodies of violations or significant weaknesses found in the exercise of its tasks, as well as providing periodic information flows to the company bodies.

With specific reference to risks of a non-financial nature, on 25 January 2019 the Risks Committee was assigned the examination and supervision of the doValue Group's NFS.

Furthermore, the Committee will support the assessments and decisions of the Board of Directors relating to the management of the risks, generated or suffered, associated with socio-environmental matters which derive from the business activities, from its commercial dealings or services, included in the supply and sub-contracting chains.



Internal Control and Risk  
Management System  
for constant monitoring

## 1.7.2 Main risks linked to non-financial aspects

For each topic which emerged as material for the doValue Group and its stakeholders<sup>2</sup>, the table below reports the associated risks and their relative protections and management methods.

Material topics	Associated risks	Risk management method and protections
Innovation and protection of privacy	<p>- Risk that can arise from the processing of personal data and can consist of a scenario describing an event and its consequences on the rights and freedoms of the persons concerned.</p> <p>- An inadequate information security management level could affect the completeness, integrity and confidentiality of data, essential aspects for the management of the Group's core activities, causing dangerous situations with operational impacts on both business and on the stakeholders.</p>	<p>- The Privacy Model of doValue, consistently with the GDPR, provides:</p> <ul style="list-style-type: none"> <li>• the "Organisational Model", which describes the roles and responsibilities of those involved in the management of personal data and the implementation of the relevant protective measures;</li> <li>• The "Personal Data Management Model", which outlines the main obligations laid down by the rules for the correct governance of personal data processing.</li> </ul> <p>doValue has adopted a methodology for the evaluation of the privacy risk which serves to implement the principle of Data Protection by Design and by Default and, in the case where it is deemed necessary, to perform a Data Protection Impact Assessment (DPIA).</p> <p>- Security is of fundamental importance for the correct provision of the services. The Group adopts all the precautions necessary to minimise the inherent risks of the services offered, implementing and in line with the best security standards and also looking to the market to identify the appropriate protection tools in its technological structure in order to ensure confidentiality, integrity and the availability of its company information assets. The guidelines relating to logical security are formalised within a document framework that provides the addresses, methodologies and management standards to all the companies of the Group. It is aligned with the best quality and compliance requirements in relation to the different operational areas and sources of risk:</p> <ul style="list-style-type: none"> <li>• Information Security (ISO/IEC 2700x);</li> <li>• Operational Continuity (ISO 27031:2011 and ISO 22301:2012);</li> <li>• GDPR - New European Privacy Regulation</li> <li>• Directive 285 - Bankit</li> <li>• NIS - Directive 2016/1148 on the security of networks and information systems.</li> </ul>

<sup>2</sup> More information on the identification process of material topics is present in the next chapter.

Material topics	Associated risks	Risk management method and protections
<p>Transparency, fairness and responsibility in the provision of services provided by the Group</p>	<ul style="list-style-type: none"> <li>- This refers to all cases in which the investors who have invested their resources in the financial markets find themselves suffering the negative consequences of the behaviour of other parties which have: <ul style="list-style-type: none"> <li>• used information that is not accessible to the public for their own advantage or that of others;</li> <li>• disclosed false and misleading information;</li> <li>• manipulated the pricing mechanism of financial instruments.</li> </ul> </li> <li>- Operational risks linked to the possible interruption of operations and to the impossibility of ensuring the continuity and operation of the supporting IT systems.</li> <li>- Failure to manage external outsourcers according to criteria aimed at minimising operational risks which could arise from the exchange of information to external parties to which operational tasks are assigned.</li> </ul>	<ul style="list-style-type: none"> <li>- doValue has adopted an internal regulatory framework which is consistent with the external legislation at Community and national level, with the aim of regulating (i) the process of identification, management and processing of the relevant information and of privileged information concerning the company, as well as (ii) processes and practices to be observed for the communication, both internal and external, of insider information. The internal procedures guarantee respect of the privacy and confidentiality of relevant and insider information, in order to prevent the disclosure of documents and information concerning the company and/or its subsidiaries from occurring in selective form, i.e. in an untimely, incomplete or inadequate manner or, regardless, such as to cause information asymmetries.</li> <li>- In 2019 the doValue Group reviewed the Business Continuity Policy for the Management of Business Continuity and the BC and Disaster Recovery Plan, which precisely define the countermeasures to manage any emergency and/or disaster situations. The intense use of information technology and the continuous change of risk scenarios bring the need to update the risk assessment, adapting strategies relating to security and strengthening the emergency coverage in order to ensure adequate levels of operational continuity even in the face of incidents of a wide scope.</li> </ul> <p>In this context, it is essential to adopt an approach to business continuity that, starting from the identification of critical business processes, defines and documents the organisational coverage and emergency measures commensurate with the level of risk for each.</p> <p>The plans are tested annually and are subject to continuous improvement to seek to maximise the effectiveness when faced with unexpected situations.</p> <ul style="list-style-type: none"> <li>- For its outsourced activities, doValue manages the outsourcers according to the principles defined by the Policy and by the Operating Instruction "Outsourcing business functions". All outsourcers and sub-outsourcers must fill in and adapt to a checklist of security measures that provides logic and perimeter security measures and, in order to ensure a suitable overall level of security for the protection of the Group's information assets. Moreover, doValue adopts a monitoring and continuous improvement process of outsourcer performance and security levels implemented through the imposition and monitoring of suitable SLAs and KPIs received and validated on a regular basis depending on how they are established in the contract with the specific supplier. The Group also provides an automatic contract management tool to constantly monitor third parties, through the insertion of rules that allow sending alerts/warnings in the case of failure to achieve the objectives set by the Contracting authority.</li> </ul>

Material topics	Associated risks	Risk management method and protections
Staff training and skills development	Staff training and skills development address operational risks related to the completion of activities.	<p>Through appropriate procedures, the Group identifies the training needs of its own people annually and offers training plans consistent with each person's role and organisational functions. The training provided relates to a wide variety of topics, including:</p> <ul style="list-style-type: none"> <li>- regulatory updates;</li> <li>- strengthening of soft skills;</li> <li>- technical-professional updating;</li> <li>- managerial training.</li> </ul> <p>The Group staff performance evaluation process is regulated by structured processes, governed by the National Collective Labour Agreement at Italian level.</p>
Anti-corruption policies and procedures	<p>The doValue Group acts in areas exposed to various forms and methods of corruption risk based on the activities carried out. The main operational areas potentially at risk relate to:</p> <ul style="list-style-type: none"> <li>• specific processes related to the core business;</li> <li>• transverse operational areas, including gifts, donations and charities, sponsorships and partnerships, acquisition of goods and services.</li> </ul>	<ul style="list-style-type: none"> <li>- The Group has an internal regulatory body (policies and procedures) aimed at defining the principles, roles and responsibilities, identifying the tools and organisational mechanisms to implement for the purposes of anti-corruption risk management, as well as regulate specific processes such as the management of gifts, charities and donations, sponsorships and partnerships and third parties. Finally, the Group is also equipped with the so-called "Anti-corruption Program", which includes the corruption risk monitoring and managing framework and the implementation of a risk assessment activity. The following is envisaged for 2020: <ul style="list-style-type: none"> <li>- the performance of Risk Assessment activities for the Italian and Greek companies;</li> <li>- analysis of the regulatory framework relating to anti-corruption in force in Greece, Spain, Portugal and Cyprus;</li> <li>- further strengthening of the Whistleblowing system at the Italian and Greek level, the definition and implementation of reconciliation and coordination mechanisms with the Whistleblowing system according to Italian Legislative Decree no. 231/2001, in the context of the planned applicable interventions in relation to this legal framework.</li> </ul> </li> </ul> <p>The Spanish company Altamira has a Criminal Risk Prevention Model and has developed an adequate system of checks on corruption risks. The effectiveness of the Model is monitored through an Annual Monitoring and Follow-up Plan, where the checks that must be performed to prevent and mitigate the risks are defined.</p> <p>Altamira has a Whistleblower hotline and Whistleblower hotline protocol in place to facilitate the reporting of alleged offences with respect to that which is envisaged by the Code of Conduct.</p>
Monitoring the level of customer satisfaction of the Group	<ul style="list-style-type: none"> <li>- Risk of reaching an inadequate level of listening to the needs and expectations of customers.</li> <li>- Risk of incomplete or late detection of customer needs.</li> </ul>	<p>The presence of channels to interface with customers both directly (e.g. business management committee meetings, executive committee meetings, operations committee meetings, sales committee meetings, follow-up and coordination meetings) and indirectly (emails, calls, videoconferences, mobile applications, reporting and claims systems).</p>
Protection of the stability of the banking system	Risk of inefficiency in actions for the recovery of non-performing loans and non-compliance of debtors subject to recovery actions.	Definition of strategies aimed at customer satisfaction through conciliatory approaches, both towards bank customers and investors.

Material topics	Associated risks	Risk management method and protections
Composition of governing bodies and personnel management in respect of equal opportunities	The generation of discriminatory behaviour relating to employment and occupation is considered a sub-layer of operational risk.	The doValue Code of Ethics and Altamira Code of Conduct govern the values of the Group aimed at the respect of human rights and the protection of diversity. These values are incorporated and reflected in the processes covered by ad hoc company functions with particular reference to the selection process and hiring of staff, through which equal opportunities are guaranteed. Moreover, the Group favours and promotes non-discriminatory behaviours through internal communication and company initiatives organised with the logic of inclusion and the enhancement of diversity.
Ethics, business integrity	Risk of incurring judicial or administrative sanctions, significant financial losses or reputational damages as a result of violations of mandatory regulations (laws, regulations) or self-regulation codes (e.g. articles of association, codes of conduct, codes of corporate governance).	The process of managing, monitoring and assessing the Group's risk of non-compliance, based on a risk-based approach, is composed of the following phases: definition of guiding principles and methodological rules, annual planning of activities, monitoring of external legislation, risk assessment, verification activities/level-two controls, monitoring remediation plans and reporting provisions.
Protection of the employment and welfare of people	The health and safety, welfare and remuneration of the Group's people are considered as part of its operating risk. Generated risk events relating to safety at work, such as exposure to physical factors and incorrect use of video-terminals, also fall under the hypothesis of offence provided by the Models 231 of Italian companies.	<p>The Group has a Safety model and organisation chart that puts the coverage of Italian Law 81/2008 centralised in the Parent Company, with the support of a specialised external company that provides the RSPS service. The regulatory body, the Safety organisation chart and the Risk Assessment Document (DVR) are published on the corporate intranet in a dedicated section accessible to all Group staff and the information is updated constantly, especially in relation to the appointment of central roles such as operators, safety managers and emergency teams.</p> <p>The Spanish and Cyprus companies of Altamira have an Occupational Risk Plan and a Health and safety policy.</p> <p>The topic of remuneration is covered through the Remuneration Policy approved each year by the Shareholders' Meeting and by specific internal procedures for the various instruments of variable remuneration and for individual benefits.</p>
Assessments of economic and financial performance of the Group	Risk of operative and financial underperformance of the company with respect to that which is communicated to the shareholders, equity and/or debt investors and to the Board of Directors.	<p>The Group follows processes and procedures suited to verify the operating and financial performance of the Parent Company and its subsidiaries with an interim periodicity. The financial results are reported quarterly to the Board of Directors and investors through a conference call.</p> <p>The Responsible Officer has the role of ensuring that the accounting verification processes are performed through the procedures required by the regulator.</p>

Material topics	Associated risks	Risk management method and protections
Environmental responsibility	<ul style="list-style-type: none"> <li>- Risk of breach of environmental legislation in force in the countries in which the Group operates.</li> <li>- Late replies to any more stringent regulations in the environmental sphere.</li> <li>- Risk of waste disposal not complying with the existing regulations for the destruction of confidential documents and electronic equipment containing sensitive data.</li> </ul>	<ul style="list-style-type: none"> <li>- Definition of actions aimed at containing and optimising environmental impacts.</li> <li>- Continuous monitoring of compliance with environmental legislation in force in the countries in which the Group operates.</li> <li>- Compliance with the regulations in force concerning the disposal of materials with confidential content.</li> <li>- Evaluation of suppliers also on the basis of environmental criteria (a strengthening of this coverage is envisaged for 2020).</li> </ul>
Sustainable management of the supply chain	Risk of reputational damages attributable to the conduct of trading partners which is not in line with the ethical and compliance requirements of the Group.	<ul style="list-style-type: none"> <li>- Suppliers' sharing and acceptance of the doValue Code of Ethics and the Altamira Code of Conduct.</li> <li>- Monitoring of the conduct of suppliers for the duration of the commercial relationship.</li> <li>- Supplier evaluation system also on the basis of sustainability criteria (a strengthening of this coverage is envisaged for 2020).</li> </ul>

In addition to the risks associated with the material topics, the Group has identified two topics that underlie the business activities and are associated with the transverse risks derived from other types of risk discussed above:

Other topics	Associated risks	Risk management method and protections
Reputation	<p>Risk of drop in profits, or capital, resulting from a negative perception of the Intermediary image by customers, counterparties, shareholders, investors or Supervisory Authorities, cutting across all relevant subjects and all entities of the Group. The reputational risk is defined as risk “deriving” from other types of risk, or “level two”, as it is consequent to an event mainly due to operational risks, including those relating to computing and compliance.</p>	<p>The Operational Risk Management Function has the task of presiding over the management of the risks to which the activities of the Parent Company are exposed, with particular reference to operational risks, through the definition of the relative guidelines as well as the identification and monitoring of the above risks, using suitable methodological approaches, procedures and instruments for this purpose and ensuring the appropriate information is provided to the Company Bodies. The activity carried out by the Operational Risk Management Function is also aimed at mitigating reputational risk, in cases where the latter “derives” from operational risk, in view of the close interconnection of the two risks and of the opportunity to have unitary management of the actions to be taken for the purpose of their management or mitigation.</p> <p>Specific specialist coverage is also envisaged within the company (such as DPO and ICT Governance), aimed at mitigating the exposure to reputational risk arising from its areas of competence.</p>
Commitment to Corporate Social Responsibility	<ul style="list-style-type: none"> <li>- Offences against the Public Administration and the offence of corruption among private individuals.</li> <li>- Offences of organised and transnational crime.</li> <li>- Offences with terrorism aims and subversion of democratic order and reception, laundering and use of money, goods or utilities of illicit origin as well as self-laundering.</li> </ul>	<p>The Group legislation governs the management of charity, donations and partnerships towards and with bodies or associations covered by the Communication Department of the Parent Company.</p> <p>The Communication Department analyses the initiatives to be proposed and carries out due diligence on counterparties according to a risk-based approach, also using public info-providers. In compliance with legislation and internal policies, the Department carries out such due diligence activities in line with the indications contained in the Group legislation, in particular risk indicators and check-lists of the aspects relating to initiatives and counterparts to analyse.</p>





**SUSTAINABLE  
VALUE**



# 2.1

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## Approach to sustainability

The doValue Group is experiencing a period of international expansion and it is precisely in its daily actions that it intends to spread its own culture oriented to the values of integrity and respect for individuals. The sustainability initiatives promoted by the Group are expressed in three pillars for building a sustainable future:

- **Innovation**, understood as constant research and improvement of its services;
- **Ethics**, acting responsibly to pursue correctness, collaboration, fairness, transparency and mutual respect in the performance of all activities;
- **Attention to people**, to develop a relationship of mutual trust, whether employees, customers or members of the local community.

doValue has embarked on a path to include more and more sustainability in its business strategy by promoting innovative projects and awareness campaigns towards all stakeholders.

In particular, doValue intends to strengthen its governance of sustainability, both through the stable presence of the Diversity & Inclusion Committee of the Parent Company established in Italy, and through the definition of a Corporate Social Responsibility plan integrated in the communication strategy.

In 2020 doValue will also express its commitment in relation to external customers with initiatives to measure customer satisfaction. Lastly, in the environmental sphere, doValue intends to continue to give priority to energy coming from renewable sources, to limit the use of paper and toner and to support the LifeGate PlasticLess initiative.

# 2.2

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## Materiality analysis

With the Group's internationalisation process, doValue updated the materiality analysis to identify the topics relevant to the Group and its stakeholders, or rather those aspects which significantly influence the capacity to create value over the short, medium and long term.

In line with last year, the **categories of stakeholders** with which the company interfaces in the performance of its activities are the following:



A sector benchmarking was carried out for the materiality analysis which led to the identification of 18 relevant topics, which were then evaluated through a survey given to all Group employees, the CEO as the expression of Top Management and to a group of relevant suppliers.

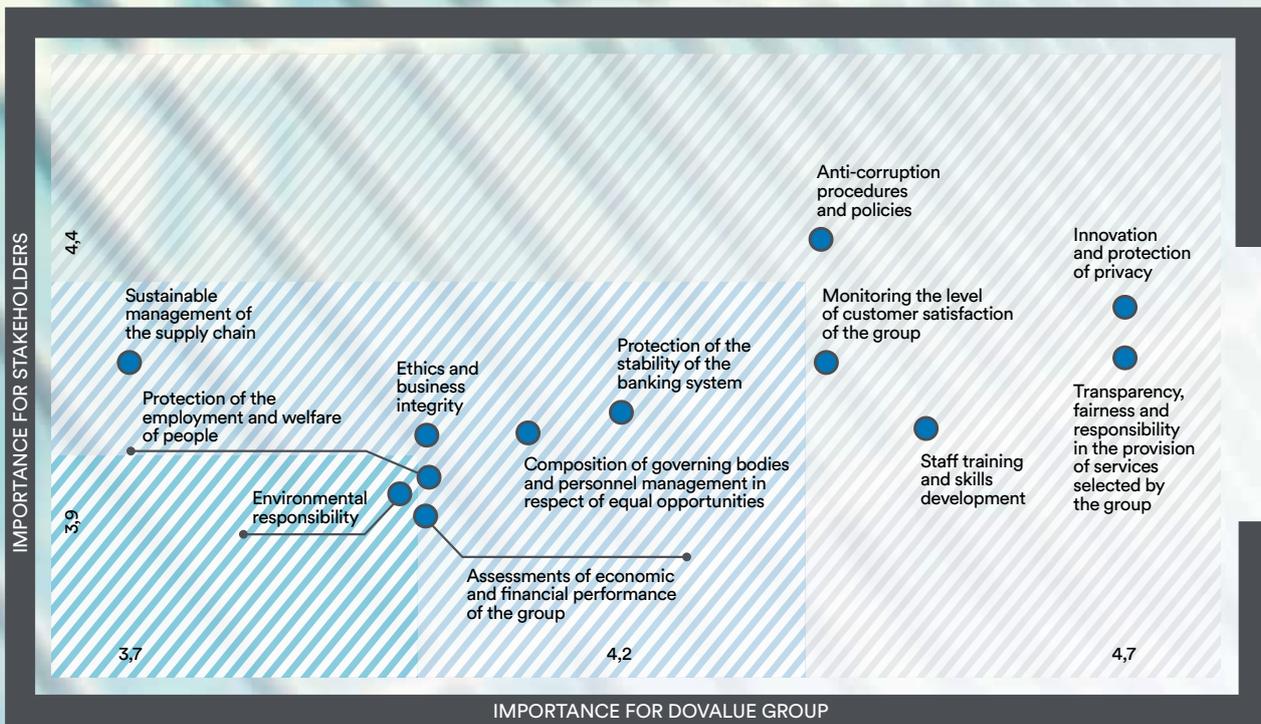
The survey represented the first opportunity to involve all employees and allowed taking a snapshot of the priorities of the Group and stakeholders on ethical, social and environmental sustainability issues.

The analysis of the survey led to the identification of 12 material topics, presented below. The material topics, inherent to the various dimensions of sustainability, were divided up with reference to the spheres envisaged by Italian Legislative Decree no. 254/2016.

Material topics	Reference spheres pursuant to Italian Legislative Decree no. 254/2016	2019 NFS Chapter
Innovation and protection of privacy	- Social - Staff - Environment	Privacy and data security
Transparency, fairness and responsibility in the provision of services chosen by the Group	- Social - Fight against bribery and corruption	Mission, vision and operational model Quality of Service
Staff training and skills development	- Staff	Staff training and development Skills assessment
Anti-corruption policies and procedures	- Fight against bribery and corruption	Model 231 and Whistleblowing Prevention of corruption Anti-money laundering Model 231 and AML Training
Monitoring the level of customer satisfaction of the Group	- Social	The stakeholder engagement system
Protection of the stability of the banking system	- Social	Vision, mission and operating model
Composition of governing bodies and personnel management in respect of equal opportunities	- Staff	Information on employees and other workers Protection of diversity and respect for human rights
Ethics, business integrity	- Social	Ethics and business integrity Code of Ethics and internal regulations
Protection of the employment and welfare of people	- Staff - Respect for human rights	Information on employees and other workers Relations with trade unions Benefits, incentives and company welfare Employee health, safety and welfare
Assessments of economic and financial performance of the Group	- Social	Generated, distributed and retained economic value Strategic goals and created value
Environmental responsibility	- Environment	Consumption of materials Energy consumption and the emission of greenhouse gases Waste production and disposal Projects and initiatives
Sustainable management of the supply chain	- Environment - Social	Supply chain

The graphical representation of the materiality matrix provides an overview of the issues found to be most relevant from the analyses conducted in 2019.

## MATERIALITY MATRIX



By comparing the materiality matrix of 2019 with that of the previous NFS, it is possible to note the increase of relevance to the Group of the topics “innovation and protection of privacy” and “transparency, fairness and responsibility in the provision of services chosen by the Group” and the entry into the matrix of the topic “Protection of the stability of the banking system”: these changes are consistent with the period of change and internationalisation that the Group has and continues to experience.

The importance of the topics relating to staff for both the Group and its stakeholders remains fairly constant as, similarly, topics relating to the environment continue to have minor importance.

Finally, it should be noted how the importance of the topic of “Sustainable supply chain management” slightly decreased, which is an activity at the margins of the doValue Group with respect to the core business.

# 2.3

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## The stakeholder engagement system

### Financial community - market

doValue considers continuous and fruitful dialogue with shareholders and institutional investors and other specific stakeholders a duty in relation to the market. According to the rules and procedures governing the disclosure of insider information, the dialogue is aimed at the adoption of the best professional practices applicable and is based on the principles of **transparency, timeliness and completeness of information.**

The Investor Relations activities of the Parent Company provide for, in addition to the publication of the most relevant strategic and financial information on the company website, constant interaction with analysts and investors. In particular, in 2019 the Top Management of doValue organised **over 200 meetings with investors** in the Italian offices of Rome and Milan and through participation in Roadshows and conferences in the most important financial centres in Europe and the United States, consistently with the high rate of internationality of doValue's shareholders.

**The doValue stock is followed by seven analysts of leading financial institutions** who, in March 2020, expressed a positive judgement on the stock with a prevalence of "BUY" recommendations and a target price above the market price.

### Customers

Monitoring service levels requires constant and systematic interaction with customers (banks and investors). It should be noted that the main customers of the doValue Group include the UniCredit Group, the Banco Santander Group, the Spanish company SAREB, the Intesa Sanpaolo Group and certain funds managed by Fortress. **All the major contracts governing relations between doValue and its customers envisage compliance with predefined quality standards and service levels.**

Thus a series of quantitative key quality indicators (KQI) are regularly monitored to measure compliance with the required service standards. Among these we can mention performance indicators with regard to expected targets, indicators of movement of positions in terms of payment collection and the prompt transmission of data streams.

### Employees

The Group undertakes to maintain continuous and constructive dialogue with its own people, its main asset for the performance of daily activities. **The selection and management of staff are based on the principles of objectivity, competence and professionalism.**

There are numerous methods of engagement and interaction with the Group's people: in addition to moments for dialogue in the context of skills assessments, doValue creates a monthly newsletter to share activities, initiatives, projects and corporate events. The newsletter also includes a column on sustainability topics for sharing ongoing projects; its goal is to promote the dissemination of the culture of sustainability and promote the active participation and sharing of sustainability objectives by employees.

In 2019 the Group also continued its project to involve employees in an initiative to build a corporate identity, called "Photo Group Contest". Through this project, employees were called to apply their creativity and express their point of view on many issues. In line with the thematic categories, the photographs were published on a dedicated platform.

The Group also favours employees' interaction with trade union organisations, on the basis of the principles of transparency, independence and integrity. Relations with trade unions are based on a constructive dialectic,

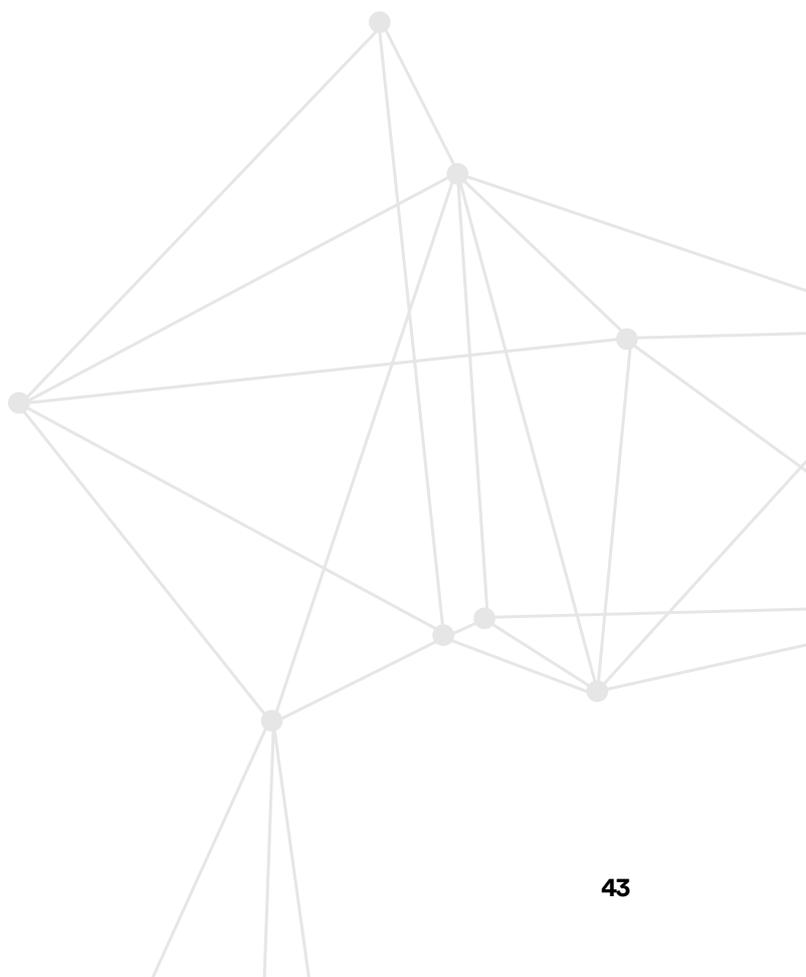
without any discrimination or difference in treatment, aimed at implementing appropriate and, where possible, cooperative union relations. In this regard, in order to strengthen relations between the company and employee representatives, special analysis committees are currently being established which will aim to identify the best solutions for the standardised treatment of all employees in terms of professional development, health policies and work-life balance. Employee membership to political parties is not in any way related to their role in the Company.

### **The community and debtors**

The community becomes the spokesperson of the general interest for the protection of the stability of the banking system, which the Group pursues through the search for preferably extra-judicial solutions to ensure timeliness and maximise profitability in actions for the recovery of non-performing loans in respect of the customer debtors. doValue has further strengthened its role as an **opinion leader** in 2019, consolidating its presence in the main public occasions for discussions on banking and institutional occasions.

### **External lawyers in charge of debt recovery**

The Parent Company constantly monitors the level of services provided in the network of external lawyers. Through a **performance quality rating system**, each professional can compare their own quality levels with those of a benchmark. The results of the rating process are transmitted on a confidential and personalised basis. A similar process also involves the network of Italfondario and the results of the evaluations are processed through an internal report.



# 2.4

## Generated, distributed and retained economic value

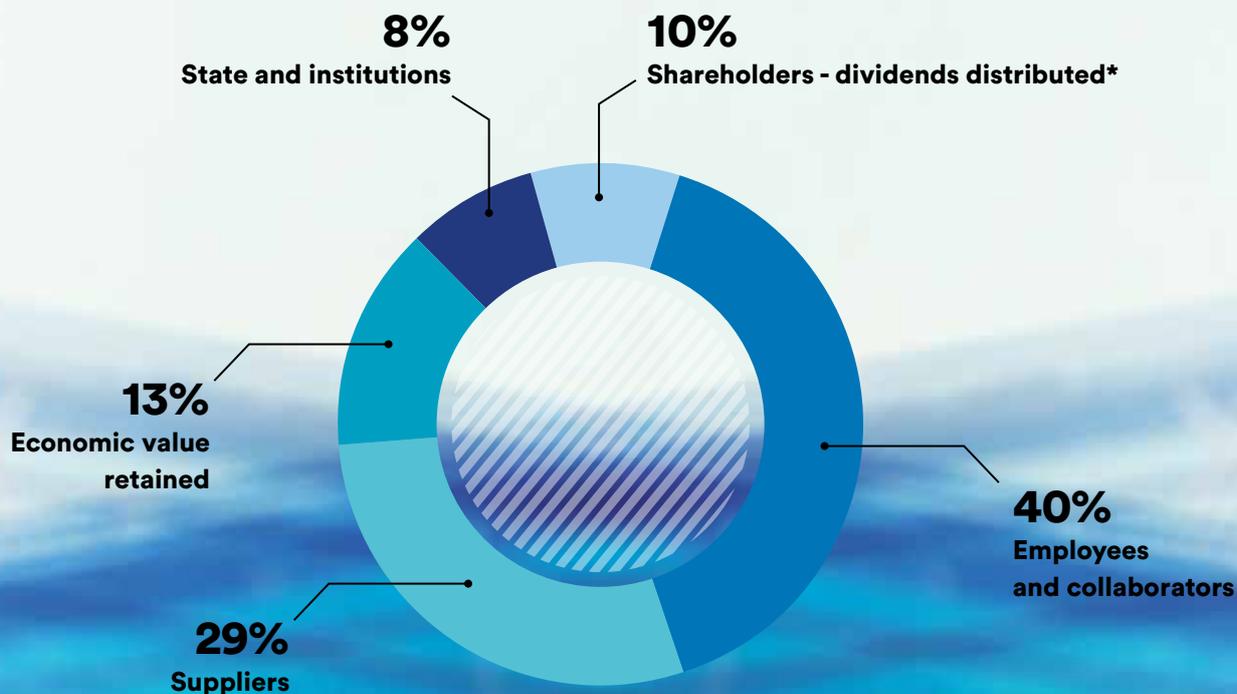
The prospectus for the calculation of the economic value generated and retained is constructed by aggregating, in scalar form, items in the income statement in line with the regulatory framework provided for by IAS 11<sup>3</sup>, with the aim of highlighting the formation process of added value and its distribution to the various stakeholders.

<b>Distribution of economic value (in thousands of euros)</b>	<b>2019</b>	<b>2018</b>
<b>Economic value generated</b>	<b>359,891</b>	<b>237,848</b>
<b>Economic value distributed</b>	<b>(312,888)</b>	<b>(155,350)</b>
Employees and collaborators	(144,553)	(97,091)
Suppliers	(102,728)	(61,717)
Shareholders - dividends distributed*	(36,837)	(30,907)
State and institutions	(28,770)	(27,449)
<b>Economic value retained</b>	<b>(47,003)</b>	<b>(82,498)</b>

\* The item of dividends distributed is reported for date of disbursement and not for date of competence therefore the data differs from the 2018 Consolidated Non-Financial Statement.

<sup>3</sup> Following the conclusion of the debanking process, the Group abandoned the statements used and the related rules of compilation provided by Bank of Italy Circular no. 262/2005. Also for this reason, the 2018 data relating to the calculation of the economic value generated, distributed and retained published in the previous edition of the NFS have been restated in order to better represent the peculiarities of the Group.

## GENERATED, DISTRIBUTED AND RETAINED ECONOMIC VALUE



The increase in generated economic value reflects the positive dynamic of core revenues and in particular the contribution of the foreign companies acquired.

For further details with regard to the items in the income statement upon which the calculation is based, reference should be made to the section of the Report on Operations of the Consolidated Financial Statements as at 31 December 2019.

Additional information regarding the economic performance and financial strength of the Group is available in Reports and Consolidated Financial Statements as at 31 December 2019, in the chapter "Report on Group Operations".





**VALUE FOR  
EMPLOYEES**





**+86%**  
employees  
compared to 2018

**59%**  
of the total  
employees in Italy  
are female

**99%**  
of contracts  
are permanent

doValue recognises the centrality of the people who every day, with commitment and dedication, contribute to the development of the Group's activities and the creation of value in the medium and long term.

doValue offers a work environment where its employees' welfare and professional development are essential requirements for the construction of a relationship based on trust and mutual respect that goes beyond the simple working relationship.

The role of human resources is even more important in this period of transformation the Group is experiencing: it is essential to promote and spread a culture based on the values of integrity and mutual respect, supporting aware and responsible behaviours.

# 3.1

## Information on employees and other workers

On 31 December 2019 the workforce of the doValue Group was composed of 2,393 employees, a substantial increase (+86%) compared to 2018 essentially due to the acquisition of Altamira Asset Management.

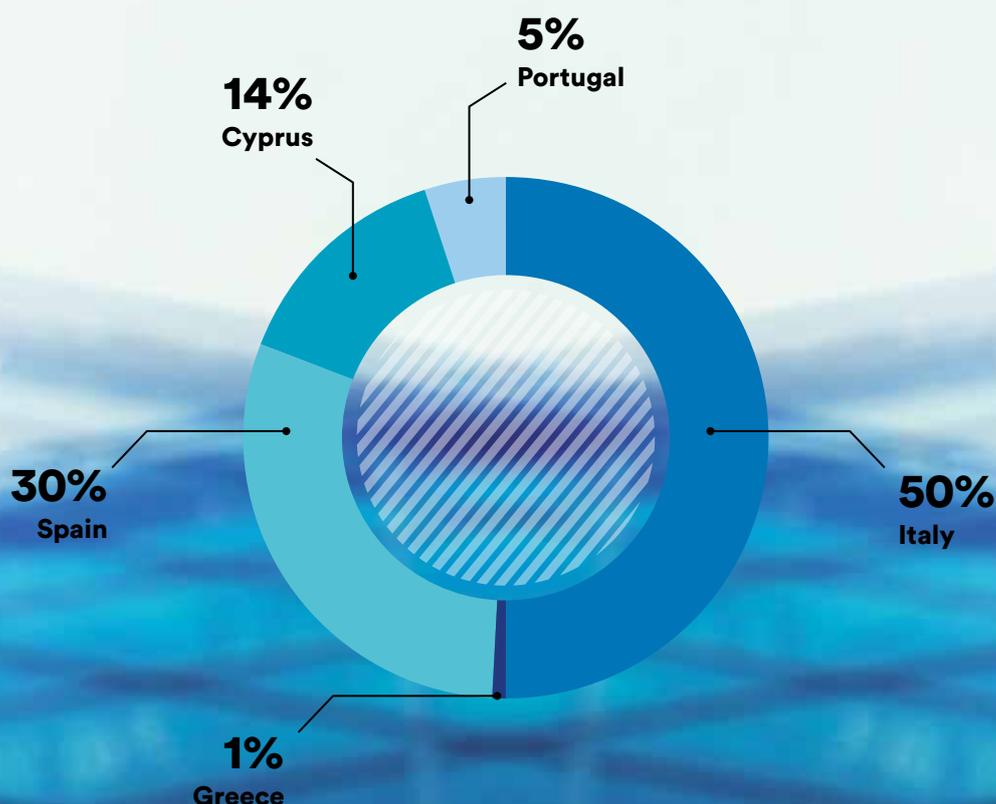
56% of the total number of employees is female, a percentage that rises to 59% if only the perimeter of Italy is considered.

Of the workforce, 570 persons belong to the middle management category. The majority of the total workforce of employees, about 71%, ranges in age from 30 - 50 years, followed by the age > 50 years (with approximately 21% of employees).

72% of the Group's staff is engaged in business activities, while the remaining 28% in corporate activities.

For the Group, being able to offer an employment relationship which is stable and durable in time is a prerequisite for ensuring constant and innovative growth and is embodied in the high percentage of employees with a permanent contract, equal to 99% in 2019.

### THE WORKFORCE ON 31 DECEMBER 2019



Total employees by professional category	2019			2018			2017		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Top Management	28	91	119	10	30	40	10	22	32
Middle Management	260	310	570	255	272	527	234	255	489
Staff	1,053	651	1,704	490	231	721	482	228	710
<b>Total</b>	<b>1,341</b>	<b>1,052</b>	<b>2,393</b>	<b>755</b>	<b>533</b>	<b>1,288</b>	<b>726</b>	<b>505</b>	<b>1,231</b>
<b>Total employees by age</b>									
<=29 years	102	82	184	28	28	56	25	22	47
30-50 years	1,011	694	1,705	536	303	839	540	301	841
>=51 years	228	276	504	191	202	393	161	182	343
<b>Total</b>	<b>1,341</b>	<b>1,052</b>	<b>2,393</b>	<b>755</b>	<b>533</b>	<b>1,288</b>	<b>726</b>	<b>505</b>	<b>1,231</b>
<b>Total employees by type of contract</b>									
Total number of permanent contracts	1,326	1,038	2,364	704	511	1,215	704	496	1,200
<i>of which in Italy and Greece</i>	711	502	1,213	704	511	1,215	704	496	1,200
<i>of which in Spain</i>	342	370	712	-	-	-	-	-	-
<i>of which in Portugal</i>	63	47	110	-	-	-	-	-	-
<i>of which in Cyprus</i>	210	119	329	-	-	-	-	-	-
Total number of fixed-term or temporary contracts	15	14	29	51	22	73	22	9	31
<i>of which in Italy and Greece</i>	10	11	21	51	22	73	22	9	31
<i>of which in Spain</i>	-	3	3	-	-	-	-	-	-
<i>of which in Portugal</i>	5	-	5	-	-	-	-	-	-
<i>of which in Cyprus</i>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,341</b>	<b>1,052</b>	<b>2,393</b>	<b>755</b>	<b>533</b>	<b>1,288</b>	<b>726</b>	<b>505</b>	<b>1,231</b>
<b>Total employees by type of employment</b>									
Full-time employment as defined by national laws	1,243	1,047	2,290	657	531	1188	684	505	1189
Part-time employment as defined by national laws	98	5	103	98	2	100	42	-	42
<b>Total</b>	<b>1,341</b>	<b>1,052</b>	<b>2,393</b>	<b>755</b>	<b>533</b>	<b>1,288</b>	<b>726</b>	<b>505</b>	<b>1,231</b>

In 2019 66 new people joined the Italian companies and the Greek company of the Group, while 119 left. With reference to Altamira, 369 new employees joined the Spanish, Cyprus and Portugal companies, while 273 people left. Overall, the new employee hire and turnover rates for the whole Group in 2019 were respectively 18% and 16%.

2019										
New employee hires	<=29 years		30-50 years		>=51 years		total		Hiring rate	
	women	men	women	men	women	men	women	men	women	men
No. people										
<i>of which in Italy and Greece</i>	6	8	15	37	-	-	21	45	3%	9%
<i>of which in Spain</i>	17	24	78	84	2	4	97	112	28%	30%
<i>of which in Portugal</i>	2	3	33	21	1	0	36	24	53%	51%
<i>of which in Cyprus</i>	35	16	24	20	3	2	62	38	30%	32%
<b>Total</b>	<b>60</b>	<b>51</b>	<b>150</b>	<b>162</b>	<b>6</b>	<b>6</b>	<b>216</b>	<b>219</b>	<b>16%</b>	<b>21%</b>
2019										
Terminations	<=29 years		30-50 years		>=51 years		total		Turnover	
	women	men	women	men	women	men	women	men	women	men
No. people										
<i>of which in Italy and Greece</i>	9	10	36	30	14	20	59	60	8%	12%
<i>of which in Spain</i>	4	9	50	43	3	20	57	72	18%	19%
<i>of which in Portugal</i>	-	-	20	22	4	5	24	27	35%	57%
<i>of which in Cyprus</i>	3	3	48	25	8	6	59	34	29%	28%
<b>Total</b>	<b>16</b>	<b>22</b>	<b>154</b>	<b>120</b>	<b>29</b>	<b>51</b>	<b>199</b>	<b>193</b>	<b>15%</b>	<b>18%</b>

2018										
New employee hires	<=29 years		30-50 years		>=51 years		total		Hiring rate	
	women	men	women	men	women	men	women	men	women	men
No. people										
<i>of which in Italy and Greece</i>	17	17	42	42	1	4	60	63	8%	12%
2018										
Terminations	<=29 years		30-50 years		>=51 years		total		Turnover	
	women	men	women	men	women	men	women	men	women	men
No. people										
<i>of which in Italy and Greece</i>	4	6	37	36	4	8	45	50	6%	9%

2017										
New employee hires	<=29 years		30-50 years		>=51 years		total		Hiring rate	
	women	men	women	men	women	men	women	men	women	men
No. people										
<i>of which in Italy and Greece</i>	10	9	24	22	-	3	34	34	5%	7%
2017										
Terminations	<=29 years		30-50 years		>=51 years		total		Turnover	
	women	men	women	men	women	men	women	men	women	men
No. people										
<i>of which in Italy and Greece</i>	13	6	12	26	2	7	27	39	4%	8%

Terminations by type	2019			2018			2017		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Resignations (excluding retirement)	86	95	181	43	42	85	25	30	55
Retirement	14	16	30	2	8	10	2	4	6
Contract end	80	56	136	-	-	-	-	5	5
<b>Total</b>	<b>180</b>	<b>167</b>	<b>347</b>	<b>45</b>	<b>50</b>	<b>95</b>	<b>27</b>	<b>39</b>	<b>66</b>

In addition to the types of dismissals presented in the table for 2019, 45 terminations were also recorded (19 women and 26 men).

The new hires of the Italian and Greek companies of the Group recorded in 2019 represent the result of the excellent work of the Resources & Transformation structure, which has the mission to define and manage the coverage plan of business positions, consistent with the organisational development and with the budget defined at the beginning of the year, which is updated and constantly monitored to allow its correspondence with the correct dimensioning of the workforce. The selection process is governed by the **Staff selection and recruitment procedure** and is activated through reports from Line Managers and/or when the need for new skills arises. The Resources & Transformation structure then sees to implementing the staff selection process.

## 3.2

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# Protection of diversity and respect for human rights

doValue considers diversity, inclusion and respect for human rights as fundamental elements of its corporate culture and pillars of its own system of values.

The commitment to promoting virtuous behaviour in the context of diversity and respect for human rights is also expressed in the Code of Ethics of the Italian companies and the Greek company of the Group, where it reiterates that the relationships between people are based on **fairness** and **transparency**, avoiding and rejecting any other approach which could be discriminatory.

Altamira also reiterates the importance of these values within the Code of Conduct, where it stresses the obligation to ensure the **dignity of persons and the respect of their fundamental rights**, also in line with that which is envisaged by the Universal Declaration of Human Rights and the European Convention on Human Rights. Similarly, the **Equality Plan** drafted by Altamira reiterates the importance of valuing staff on the basis of ability, skills, commitment and talent, avoiding any kind of discrimination in relation to race, gender, religion, political ideas, nationality, age, sexual orientation, disability, ethnic origin or any other characteristic.

With regard to diversity, the Group has various initiatives in place, including:

- the institution in Italy in 2018 of the **Diversity & Inclusion Committee** for the Italian and Greek companies, i.e. a place of listening, created to support people to express their potential, regardless of their generation, status, and the different dimensions in which diversity is expressed. The members of the Committee, made up of employees who represent the various company targets in terms of geographic localisation and company membership, are identified as Ambassadors with the task of facilitating the diffusion of new projects on matters of gender diversity & inclusion, work-life ba-

lance, female leadership, sustainability and innovation. An **Equality Committee** is active in Spain, provided for by law and for the oversight of all matters pertaining to diversity and equal opportunities;

- renewal of the participation as a Supporting Partner of “**Valore D**”, the first Association created in Italy for furthering diversity and inclusion within companies. The Association promotes the different characteristics of its collaborators (age, gender, nationality, religion, working experiences), to create a working environment that emphasises Gender Diversity and the culture of inclusion in the company;
- the approval by the Board of Directors of the Parent Company in March 2018 of the document “**Orientation on the optimal qualitative and quantitative composition of the Board of Directors**”, which presents the results of the preliminary analysis carried out by the Board of Directors (supported by the Appointments Committee) with regard to the qualitative and quantitative composition considered optimal in order to correctly perform its assigned roles, focusing in particular on compliance with the Supervisory Provisions on Corporate Governance;
- with reference to Altamira, the presence of an **Equal Opportunity Plan**, negotiated and agreed with the legal representation of workers and in compliance with Spanish Constitutional Law no. 3/2007 adopted on 22 March. The plan provides for the effective equality of men and women and the creation of an inclusive workplace that promotes teamwork and where different opinions are valued;
- still at Altamira, the definition of a **Harassment Prevention Protocol**, which is aimed at outlining the behaviours for preventing harassment and managing any complaint or discomfort that may occur related to the same. The Protocol establishes that everyone has the right to receive fair, respectful and dignified treatment that does not violate an individual’s privacy and

physical and moral integrity and which does not result in degradation or humiliation based on criteria such as ethnicity, gender, religion, opinions and any other condition or circumstance, including the type of working relationship.

The attention the Group devotes to diversity and equal opportunities also finds expression in the offering of **part-time work contracts**, designed to ensure that the flexibility is adequate to facilitate the reconciliation of life/work schedules. As at 31 December 2019, 4% of employees benefits from this type of contract; of these, 95% is represented by women.

The data relating to age, sex, origin, date of recruitment, working age, and staff remuneration of the Italian and Greek companies of the Group were managed through a central database in 2019 as well, from which a quarterly report is extracted and presented to the Board of Directors of the Parent Company relative to the data on staff movements. On an annual basis doValue provides this report to ABI and also reports on gender equality every two years.

Confirming the Group's attention to the issues of diversity and respect for human rights, as in the two previous years, no episodes of discrimination or violation of human rights were detected in 2019.

## Diversity, inclusion and respect for human rights: fundamental elements of the corporate culture

Diversity  
& Inclusion  
Committee

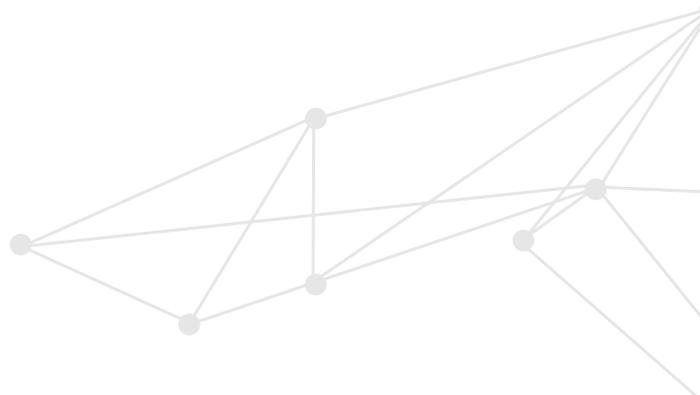
Equal  
Opportunity  
Plan

Equality  
Committee

Harassment  
Prevention  
Protocol

Profile of members of the Board of Directors of the Parent Company	2019		2018		2017	
	No.	%	No.	%	No.	%
<b>Gender</b>						
Women	2	22%	1	12%	/	/
Men	7	78%	7	88%	9	100%
<b>Age</b>						
<=29 years	-	-	-	-		
30-50 years	4	44%	3	38%	4	44%
> = 50 years	5	56%	5	62%	5	56%

Top Management Profile	2019		2018		2017	
	No.	%	No.	%	No.	%
<b>Top Management 30-50 years</b>						
<b>Gender</b>						
Women	22	19%	6	14%	6	19%
Men	66	55%	15	38%	12	38%
<b>Total</b>	<b>88</b>	<b>74%</b>	<b>21</b>	<b>52%</b>	<b>18</b>	<b>56%</b>
<b>Executives &gt; = 51 years</b>						
<b>Gender</b>						
Women	6	5%	4	10%	4	13%
Men	25	21%	15	38%	10	31%
<b>Total</b>	<b>31</b>	<b>26%</b>	<b>19</b>	<b>48%</b>	<b>14</b>	<b>44%</b>
<b>Top Management Total</b>	<b>119</b>	<b>100%</b>	<b>40</b>	<b>100%</b>	<b>32</b>	<b>100%</b>



<b>Top Management Profile</b>	<b>2019</b>		<b>2018</b>		<b>2017</b>	
<b>Middle Management &lt;=29 years</b>						
<b>Gender</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
Women	12	2%	-	0%	-	0%
Men	9	2%	2	0%	1	0%
<b>Total</b>	<b>21</b>	<b>4%</b>	<b>2</b>	<b>0%</b>	<b>1</b>	<b>0%</b>
<b>Middle Management 30-50 years</b>						
<b>Gender</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
Women	207	36%	132	25%	127	26%
Men	225	39%	115	22%	116	24%
<b>Total</b>	<b>432</b>	<b>76%</b>	<b>247</b>	<b>47%</b>	<b>243</b>	<b>50%</b>
<b>Middle Management &gt;=51 years</b>						
<b>Gender</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
Women	41	7%	123	23%	107	22%
Men	76	13%	155	30%	138	28%
<b>Total</b>	<b>117</b>	<b>20%</b>	<b>278</b>	<b>53%</b>	<b>245</b>	<b>50%</b>
<b>Manager Total</b>	<b>570</b>	<b>100%</b>	<b>527</b>	<b>100%</b>	<b>489</b>	<b>100%</b>

<b>Top Management Profile</b>	<b>2019</b>		<b>2018</b>		<b>2017</b>	
<b>Staff &lt;= 29 years</b>						
<b>Gender</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
Women	69	4%	28	4%	25	4%
Men	48	3%	25	3%	21	3%
<b>Total</b>	<b>117</b>	<b>7%</b>	<b>53</b>	<b>7%</b>	<b>46</b>	<b>6%</b>
<b>Staff 30-50 years</b>						
<b>Gender</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
Women	737	46%	398	56%	407	57%
Men	381	24%	174	24%	173	24%
<b>Total</b>	<b>1.018</b>	<b>70%</b>	<b>572</b>	<b>80%</b>	<b>580</b>	<b>82%</b>
<b>Staff &gt;=51 years</b>						
<b>Gender</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
Women	181	12%	64	9%	50	7%
Men	175	11%	32	4%	34	5%
<b>Total</b>	<b>356</b>	<b>23%</b>	<b>96</b>	<b>13%</b>	<b>84</b>	<b>12%</b>
<b>Staff Total</b>	<b>1.591</b>	<b>100%</b>	<b>721</b>	<b>100%</b>	<b>710</b>	<b>100%</b>

doValue manages diversity in accordance with the rules established by the applicable laws, also in relation to the recruitment and insertion of people with disabilities in the company. For example, the Group has created the Altamira Talent School in Spain, in collaboration with Adecco Foundation, to facilitate the insertion of staff with disabilities and continuously encourage their professional development.

# 3.3

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## Staff training and development

Training is essential for the Group's growth: it is a tool for the enhancement and professional fulfilment of employees and is at the same time a driving force for transmitting values and strategy, a fundamental aspect considering the profound evolution doValue is currently experiencing. The Group is particularly attentive to the organisation of training courses that are as personalised as possible and respond to the needs of each individual.

**In 2019, the Group provided over 47,000 total hours of training.** The Italian and Greek companies provided more than 26,000 hours of training during the year, a sharp increase compared to 2018 thanks to the massive provision of distance training courses.

In particular, training courses were provided in Italy and Greece in 2019 which were designed to support the Strategic Plan and its business model, to foster integration and strengthen market leadership, ensure quality services and increase the efficiency and effectiveness of operational processes. The training was provided both in the classroom and online: the first concerned technical and managerial areas, while the second covered compulsory training on regulatory and linguistic subjects. The professional updating and enhancement of individual skills were provided as follows:

- refresher training on privacy, complaints, interest rates and compound interest, cybersecurity, workplace safety (63% of the total course hours provided);
- professional refresher training (26% of the total course hours provided);
- development of soft skills and managerial training (8% of the total course hours provided);
- other topics such as the English language and diversity (for the remaining 3% of the total course hours provided).

Furthermore, in the Italian and Greek companies **the People Strategy philosophy was established in 2019, which aims to enhance the Group's skills and human capital, strengthen cultural and managerial integration, develop employer branding & engagement and promote knowledge and change.** In particular, the People Strategy is expressed in the following projects:

- **doFuture**, a program aimed at company resources considered to be of high potential (High Flyer) with the aim of enhancing them through specific training, job rotation and mentorship pathways;
- **doGeneration**, a program aimed at involving senior colleagues in internal teaching and mentorship activities;
- **doManage**, a course being launched in the first quarter of 2020 and dedicated to middle management, which offers coaching, managerial and linguistic training and project work;
- **change over**, vocational retraining projects, through training programs aimed at helping staff acquire skills which are useful for new roles.

In addition, in Italy the Group has developed the **Academy project** dedicated to young talents graduating in law, who are selected, trained and hired in the role of Junior Specialist in the NPL Servicing area, key figures for doValue business.

The provision of adequate training is a corporate driver in Spain, Cyprus and Portugal as well: in 2019 the companies defined an **Annual Training Plan**, drawn up on the basis of the results of surveys carried out on the training needs and priorities of managers, employees, the company itself and its projects. In Spain, the Plan was submitted to the Board of Directors after being approved, as required by law, by the Company Committee.

The Annual Training Plans envisage a number of activities, including:

- internal training (Business, onboarding, welcome day);
- skills development (face to face leadership program, or on ad hoc platforms, coaching, time management);
- training on internal tools to monitor the company's operations;
- technical training (real estate business training, finance, Qlikview, PowerBi, Excel);
- training for the female population of the company (under the Equal Opportunity Plan in Spain);

- language training;
- regulatory training (Code of Ethics, PRL, GDPR).

Furthermore, the Group envisages a **Talent Plan** in Spain and Cyprus: a program aimed at the most deserving talents to ensure their continued development and make them ready to take on roles of increasing responsibility. Portugal has also planned to implement a similar initiative, called the Talent Program.

Training hours by gender and by role	2019			2018			2017		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Top management	735	1,708	<b>2,443</b>	157	321	<b>478</b>	227	216	<b>443</b>
Middle management	6,969	7,816	<b>14,785</b>	1,475	1,378	<b>2,853</b>	594	758	<b>1,351</b>
Staff	18,053	11,797	<b>29,850</b>	6,446	4,700	<b>11,146</b>	10,851	5,893	<b>16,744</b>

Average training hours per employee, by role, and by gender	2019			2018			2017		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Top management	26	19	<b>21</b>	16	11	<b>12</b>	21	9	<b>13</b>
Middle management	27	25	<b>26</b>	23	15	<b>19</b>	10	7	<b>8</b>
Staff	17	18	<b>18</b>	9	11	<b>10</b>	17	15	<b>16</b>

Over the course of 2020 the Group aims to further strengthen its training and ensure that it is provided through the most suitable tools in order to reach the greatest number of people. The courses will focus on topics including negotiation skills, sales, management, front office, GDPR and awareness.

over **47,000** hours  
of training provided by the Group

## **People Strategy in Italy**

enhancing skills,  
strengthening cultural  
and managerial integration,  
developing employer  
branding & engagement,  
and encouraging knowledge  
and change

# 3.4

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## Skills assessment

To monitor and promote the continuous improvement of its employees' performance, the Group periodically evaluates their skills in order to define their individual objectives and ensure an adequate growth path that allows the pursuit of company objectives.

For this reason, the Group companies have adopted appropriate methods to monitor their employees' performance with the ultimate aim of improving their experience within the Group.

The Italian and Greek companies have developed a **system for the detection and evaluation of skills** that has been in use since 2018, formalised as part of a special **Procedure**. The system allows detecting gaps with respect to target skills which were mapped in 2018 and broken down by area of belonging (Business, Staff, Business Staff), role held (Resource Managers, Non-managers) and type (e.g. managerial, implementation, relational, etc.).

The evaluation process includes an initial set-up phase for updating and starting the system, during which changes can be made to the skills grid and the list of professional families. An employee self-assessment phase follows, at the end of which the assessor expresses his/her assessment of the skills and reports them on the system evaluation form. This is submitted to the hierarchical superior, who can approve or propose changes. Thereafter, the assessor must set up an individual interview time with the employee to share the assessment content. The outcome of the interview must be reported in the system by the evaluator.

In order to maximise the performance of each employee, an intermediate feedback interview is also envisaged, which precedes the set-up phase, and which is aimed at aligning the skills expected during the year and any gaps observed.

It should also be noted that the top managers identified as key resources in the Remuneration Policy participate in an **incentive system** that provides for the allocation of company shares upon the achievement of corporate and individual performance objectives.

Also in Spain, Cyprus and Portugal, the Group companies pay great attention to assessing their employees' skills in order to enhance their professional commitment and encourage the continuous strengthening of their skills and talent.

During 2019 almost all employees received a skills assessment, totalling 2,318 people. In particular, 93 Top Managers (18 women and 75 men), 551 Middle Managers (257 women and 294 men) and 1,674 staff (1,078 women and 596 men) benefited<sup>4</sup>.

<sup>4</sup> The number of employees who had a skills assessment during 2019 could be higher for some professional categories than the number of employees at the end of the reporting period. In Italy, in fact, the National Credit Agreement provides that the skills of the previous year are to be evaluated in the current year, and therefore employees who ceased to work with the Group in 2019 could be included in the calculation.

# 3.5

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## Benefits, incentives and company welfare

One of the Group's priority objectives is the satisfaction of its people, as an essential condition for generating long-term value. For this reason, **doValue offers numerous benefits and welfare initiatives, aimed at increasing the motivation and loyalty of its people.**

Agreements were drawn up in 2019 in the Italian and Greek companies to standardise processing in favour of all staff in terms of work-life balance.

The benefits provided by the level-two bargaining offered to all employees, without any differences related to the type of contract, are as follows:

- allocation of a car for mixed use;
- allocation of accommodation through sublets, free-use loans or payroll contributions;
- pension contributions to the supplementary Pension Fund;
- health insurance policy;
- insurance policy covering professional and extra-work related accident and injury.

In addition, doValue in Italy and Greece guarantees scholarships to the children of employees, in compliance with the provisions of the National Collective Labour Agreement (CCNL) and allows the use of study leave also outside contract provisions.

The welfare system also includes a **flexible benefit** plan which allows employees to spend their production premium on customisable services, increasing their spending capacity.

Finally, to help better reconcile work and private life, doValue offers employees numerous initiatives, including **smart working, study leave and maternity and paternity support programs.** In particular, smart working was launched in 2019 and involved about 40 resources, who were guaranteed specific training to become familiar

with the new working method, as well as constant assistance for technological needs and support from professional experts in smart working.

The Group sees to the provision of benefits to its employees in Spain as well, without distinction based on the type of contract. Among the benefits offered, many relate to health (for example health coverage, participation in disease prevention campaigns). A flexible benefit plan is also foreseen in Spain.

There are numerous activities aimed at work-life balance; in 2019 these included flexible work start and end hours, the Digital Disconnection Protocol - provided for by law and which entails workers' rights not to be contactable at the end of their working day, the possibility of using additional leave related to family issues and smart working.

In Portugal the benefits for exclusively full-time employees include health insurance, insurance coverage for accidents at work and parental leave. In addition, there are numerous activities aimed at promoting a healthy lifestyle among employees, both through the culture of sport and healthy food and through the organisation of events to promote the socialisation of employees.

In Cyprus, the benefits offered to employees, without distinction, relate to the following areas: health protection, promotion of healthy lifestyles and work-life balance. Employees are offered flexible hours and discounts for gym membership.

In addition, Altamira in Spain and Cyprus launched the "**Altamira Health&Wellness**" program in 2019 with numerous goals based on physical and emotional drivers, including: improving employee health, reducing absenteeism, increasing company efficiency and productivity, identifying Ambassador brands, attracting and maintaining talent.

# 3.6

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## Relations with trade unions

The principles of transparency, independence and integrity form the basis for the relations between the competent company departments and trade unions. These relations have specific characteristics according to the specificities of the countries in which the Group operates.

In Italy and Greece the Group applies national sectoral legislation relating to trade union flexibility. Relations with trade unions are based on a constructive dialectic, without any discrimination or difference in treatment. In order to strengthen relations between the company and employee representatives, special analysis committees have been established which aim to identify the best solutions for the standardised treatment of all employees in terms of professional development, health policies, work-life balance and variable remuneration.

In addition, all employees of the Italian and Greek companies are covered by collective bargaining. At Italian level, this also establishes the notice periods to be guaranteed to employees in the event of significant changes in the organisational structure, equal to 45 days. There are instead no specific notice periods established in Greece.

The Group fosters continuous dialogue with the legal representatives of employees in Spain as well, in the pursuit of collaboration on issues that may affect staff. This ongoing dialogue reflects respect for the right of the employee representatives to be informed and consulted on relevant aspects or conditions. The dialogue is carried out both through informal communications (emails, meetings, announcements, calls), and through formal bodies for information, consultation, participation and collective bargaining: Works Committee, Health and Safety Committee and Equality Committee.

Instead in Cyprus, the Human Department organises frequent meetings with trade unions and their representatives to address issues that may have an impact on staff.

Frequent staff meetings are organised during the year, with senior management presenting business information to all employees or, alternatively, more restricted meetings are organised within all the regional offices in Cyprus. At these meetings, employees have the opportunity to ask questions and be informed about company developments and issues affecting them.

Lastly, although no collective bargaining agreements are provided for by law in Portugal, there is a smaller representation of trade unions, with which meetings are held at least once a year to discuss the relevant projects underway. Conversations and meetings between workers and trade unions are always based on transparency and the shared interest of the company and employees.

Altamira companies also have a minimum period of notice to be granted to employees in the event of significant organisational changes, which is one week, in line with what has been agreed with the unions at local level.

In terms of collective bargaining, this covers 100% of employees in Spain and 53% in Cyprus, whereas it is not foreseen in Portugal.

# 3.7

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## Employee health, safety and welfare

The welfare of employees is also based on the guarantee of covering adequate levels of physical protection and health in the workplace, in line with the regulatory provisions in force in the countries in which the Group operates.

At the Italian level, the coverage of the issue takes place through the following activities:

- analysis, evaluation and management of risk factors and conditions;
- pursuit of a precautionary principle based on the provisions of article 15 of Italian Legislative Decree no. 81/2008 and art. 2087 of the Italian Civil Code;
- health surveillance;
- collection and processing of safety management data;
- creation of obligatory training and information programs relative to health and safety in the workplace, in line with current legislation.

In particular, in order to constantly monitor that activities within doValue conform to health and safety provisions, the rules of corporate governance, the internal controls system, the powers and delegation system pursuant to art. 16 of Legislative Decree no. 81/2008 of Italian law and the Code of Ethics have been maintained.

The main health and safety risks related to the activities of the Group can be identified as those in the tertiary sector (working environment, facilities, use of office equipment, storage of objects and materials, electrical systems, fire, etc.). The “Assessment Criteria” and “Prevention and Protection Measures” for each of these are defined in the Risk Assessment Document (DVR), which sets out the measures to be adopted in order to prevent the occurrence of harmful events relating to the risks.

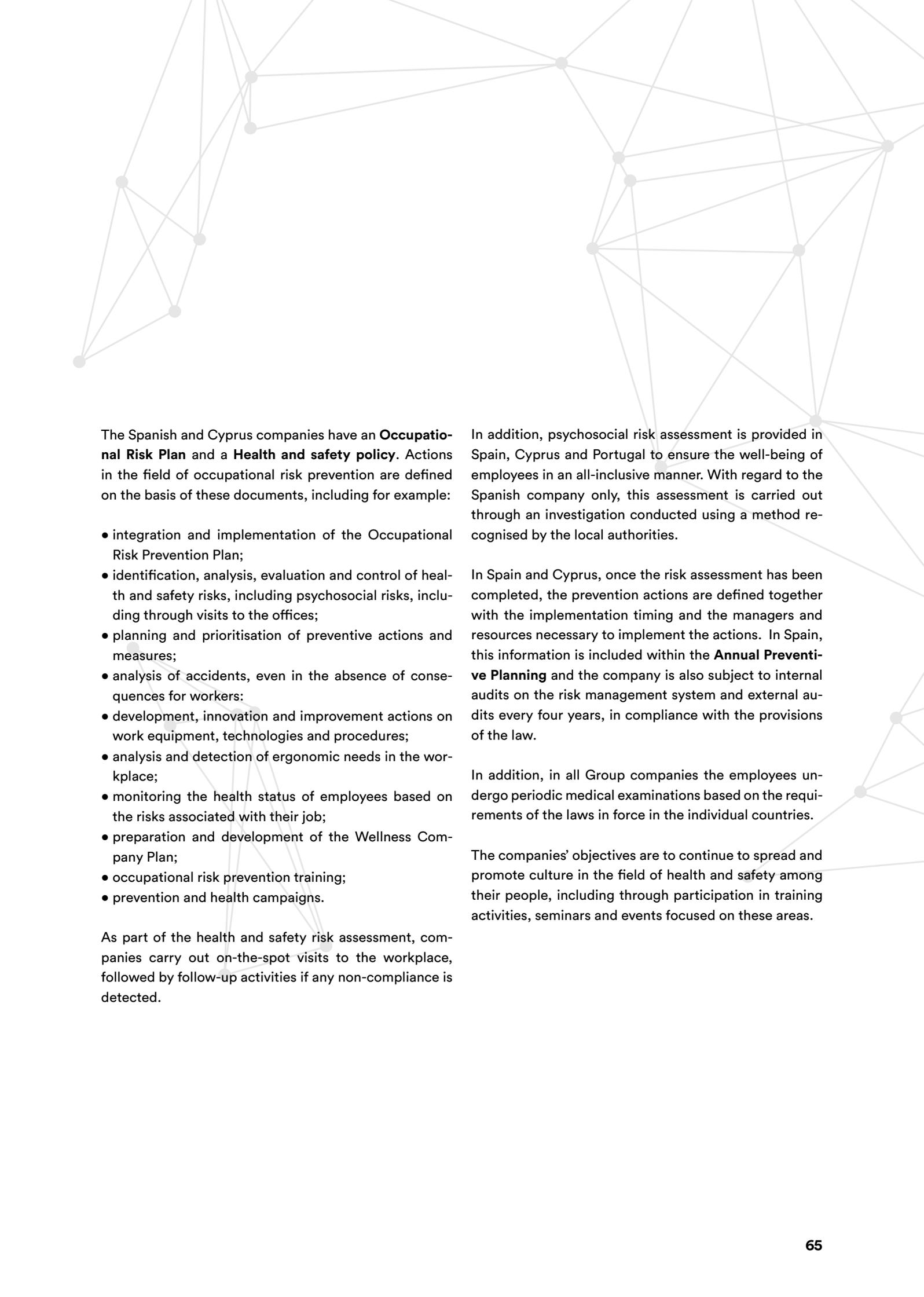
The DVR was updated in 2019 and will be published in the first quarter of 2020. It has been prepared pursuant

to Italian Legislative Decree no. 81/2008; the document represents the Group’s master DVR prepared for each Italian company and replaces the previous version of doBank. After its publication, training will be carried out on the identified risks. Company safety information is published and constantly updated on the Group portal, together with the relevant documents.

The objectives of the action plan relating to health and safety at work are:

- analysis and risk assessment for the identification of appropriate prevention measures, with a focus on possible impacts on homogeneous groups of the most vulnerable workers;
- participation in the creation of organisational procedures for the systematic management of all risks in order to guarantee the improvement of safety levels and good practices over time;
- improving the effectiveness of risk mitigation measures through the precise identification of organisational procedures and responsibilities connected to the assigned duties and the appointment of specific roles to departments and employees, identified according to need.

The companies in Spain, Cyprus and Portugal are also health and safety conscious and carry out numerous activities to ensure the effectiveness of the safeguards in place to mitigate the related risks, also involving employees in dedicated initiatives and generating increasing awareness of the issue.



The Spanish and Cyprus companies have an **Occupational Risk Plan** and a **Health and safety policy**. Actions in the field of occupational risk prevention are defined on the basis of these documents, including for example:

- integration and implementation of the Occupational Risk Prevention Plan;
- identification, analysis, evaluation and control of health and safety risks, including psychosocial risks, including through visits to the offices;
- planning and prioritisation of preventive actions and measures;
- analysis of accidents, even in the absence of consequences for workers;
- development, innovation and improvement actions on work equipment, technologies and procedures;
- analysis and detection of ergonomic needs in the workplace;
- monitoring the health status of employees based on the risks associated with their job;
- preparation and development of the Wellness Company Plan;
- occupational risk prevention training;
- prevention and health campaigns.

As part of the health and safety risk assessment, companies carry out on-the-spot visits to the workplace, followed by follow-up activities if any non-compliance is detected.

In addition, psychosocial risk assessment is provided in Spain, Cyprus and Portugal to ensure the well-being of employees in an all-inclusive manner. With regard to the Spanish company only, this assessment is carried out through an investigation conducted using a method recognised by the local authorities.

In Spain and Cyprus, once the risk assessment has been completed, the prevention actions are defined together with the implementation timing and the managers and resources necessary to implement the actions. In Spain, this information is included within the **Annual Preventive Planning** and the company is also subject to internal audits on the risk management system and external audits every four years, in compliance with the provisions of the law.

In addition, in all Group companies the employees undergo periodic medical examinations based on the requirements of the laws in force in the individual countries.

The companies' objectives are to continue to spread and promote culture in the field of health and safety among their people, including through participation in training activities, seminars and events focused on these areas.

Health and safety data - doValue Group <sup>5</sup>	2019			2018			2017		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Number of accidents at work	1	3	4	1	2	3	2	-	2
Number of accidents while travelling	12	4	16	11	4	15	10	5	15
<b>Total accidents</b>	13	7	<b>20</b>	12	6	<b>18</b>	12	5	<b>17</b>
<b>Accident rate</b>	6	4	<b>5</b>	11	8	<b>10</b>	11	7	<b>9</b>
<b>Severity index</b>	0.1	0.2	<b>0.2</b>	0.1	0.07	<b>0.08</b>	0.3	0.2	<b>0.2</b>
Number of deaths	-	-	-	-	-	-	-	-	-
<b>Absenteeism rate</b>	1.79	1.27	<b>1.56</b>	1.16	2.61	<b>3.77</b>	2.87	1.40	<b>4.27</b>
<b>Occupational diseases</b>	-	.	-	-	.	-	-	.	-
<b>Occupational disease rate</b>	-	.	-	-	.	-	-	.	-

<sup>5</sup> The 2017 and 2018 data relating to the accident rate and severity index of Italian companies published in the previous NFSs have been restated following the refinement of the calculation methods.

In addition, the hours worked, hours that can be worked and days lost due to accidents which are useful for their calculation have been estimated as follows:

- the number of hours worked, available only at a total level, has been estimated for women and men in proportion to their count at the end of the reporting periods;
- the number of hours that can be worked has been estimated starting from the working days, available only at a total level, and divided by women and men in proportion to their count at the end of the reporting periods;
- the number of days lost due to accidents, available only at a total level, has been estimated for women and men in proportion to the number of accidents occurring during the reporting periods.

For 2019, the data on lost days due to accidents and days absent were estimated starting from the hours.

Health and safety data - doValue Group	2019		
	Women	Men	Total
<b>Total number of accidents at work</b>	1	3	4
<i>of which in Italy and Greece</i>	1	-	1
<i>of which in Spain</i>	-	2	2
<i>of which in Portugal</i>	-	1	1
<i>of which in Cyprus</i>	-	-	-
<b>Total number of accidents while travelling</b>	12	4	16
<i>of which in Italy and Greece</i>	5	3	8
<i>of which in Spain</i>	4	1	5
<i>of which in Portugal</i>	3	-	3
<i>of which in Cyprus</i>	-	-	-
<b>Total number of accidents</b>	13	7	20
<i>of which in Italy and Greece</i>	6	3	9
<i>of which in Spain</i>	4	3	7
<i>of which in Portugal</i>	3	1	4
<i>of which in Cyprus</i>	-	-	-
<b>Accident rate</b>	6	4	5
<i>of which in Italy and Greece</i>	6	4	5
<i>of which in Spain</i>	7	5	6
<i>of which in Portugal</i>	26	11	20
<i>of which in Cyprus</i>	-	-	-
<b>Severity index</b>	0.1	0.2	0.2
<i>of which in Italy and Greece</i>	0.05	0.26	0.14
<i>of which in Spain</i>	0.22	0.09	0.15
<i>of which in Portugal</i>	1.04	0.82	0.94
<i>of which in Cyprus</i>	-	-	-
<b>Absenteeism rate</b>	1.79	1.27	1.56
<i>of which in Italy and Greece</i>	2.92	2.25	2.64
<i>of which in Spain</i>	0.34	0.15	0.24
<i>of which in Portugal</i>	0.84	0.65	0.76
<i>of which in Cyprus</i>	-	-	-

The accident rate is calculated as the ratio of the number of accidents to the total hours worked in the same period, multiplied by 1,000,000;  
the severity index is calculated as the ratio of the number of days lost per accident and the total hours worked in the same period, multiplied by 1,000;  
the absenteeism rate is calculated as the ratio of the total days absent and the total hours worked in the same period, multiplied by 100;  
the occupational disease rate is calculated as the ratio of the number of cases of occupational disease and the total hours worked in the same period, multiplied by 1,000,000.





## THE DOVALUE GROUP'S **BUSINESS** RESPONSIBILITY



# 4.1

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## Transparency, fairness and responsibility in the provision of services

### **Qualitative standards and acceptable conduct of the external loan recovery network**

The principles of correctness and integrity form the basis for the development and monitoring of external resources, who carry out loan recovery activities according to the standards of conduct indicated in the Group Code of Ethics. The external network consists of loan recovery companies, external professionals and external lawyers, whose resources are subject to constant quality control and evaluation that may lead to any suspension of collaboration with the Group.

### **External professionals and loan recovery companies**

The External Consultant Network (ECN) function is responsible for the search, selection, administrative contract management, retention, development and monitoring of the external networks (External Professionals, Loan Recovery Companies, AES), which is entrusted with the management of non-performing loans, subject to outsourcing by doValue S.p.A.

Based on the needs of new players (whether natural or legal persons), the ECN recruits through different channels (job posting, press announcements, recruitment portals, lists of registers and orders, contacts with university job placement centres).

In any case, candidates are directed to the company website to fill in the appropriate form. In the event that CVs come from other channels, potential candidates are redirected to the company's website.

The analysis of applications for recruitment and subsequent contracting is carried out while considering the criteria of effectiveness and efficiency envisaged for the

external network of doValue, the expected levels of professionalism and the evaluation of any potential reputational risk.

If the application in question relates to a Loan Recovery Company, in addition to the activities detailed above, a visit is also made to the company's headquarters to assess the adequacy of the structure, the representatives and collaborators.

The personal and contractual data of positive applications are recorded within the applications in use by the ECN. For years now the ECN has used a digital document signing system, with the duly signed documents sent via certified email address, with a clear reduction in costs and environmental advantages through the reduced use of paper.

Specific checks are periodically carried out on the entire already-contracted external network and for the entire duration of the collaboration, such as:

- maintenance of registration in the professional registers of reference (half-yearly);
- detection of any connections with subjects included in the scope of related parties (half-yearly);
- checking the validity of insurance policies provided by external professionals or loan recovery companies (bimonthly);
- monitoring of harmful events through record updating (bimonthly).
- control of participation by individual external professionals/loan recovery companies in courses organised on the basis of the organisational and regulatory inputs programmed by the AML or Compliance Functions;
- monitoring of the presence of the name in the "Black List" and "PEPs lists" (annual);

- control of “harmful events” through information from press and web sources related to external professionals/loan recovery companies that the ECN receives massively and weekly from an external supplier, currently MIMESI (weekly);
- operational management of cases related to the presence of situations of conflict of interest with reference to the “active network” as detected in EPC (Ex Parte Creditoris management system) against the automatic monitoring system on related parties and conflicts of interest, which is part of a broader activity whose application falls within current company legislation.

To speed up the entry of external resources from other companies or previous experiences that do not entirely coincide with the doValue S.p.A. model, “start-up” courses are organised focusing on technical-operational aspects and business processes or behaviours.

Normally at least every six months, based on collection and rating results obtained by the individual external professionals/loan recovery companies, turnover activity is carried out in order to keep only the most performing professionals active.

**In order to constantly monitor the effective management of assignments as well as the level of reliability and correct conduct of the external network, a process has been implemented to detect any anomalies in terms of operation, management and relations which may have a negative impact and/or lead to potential operational risks.** The process consists in direct contact with the debtor counterparties identified within a sample, who are given a questionnaire which serves to verify the work of external professionals or loan recovery companies with which they have had contact.

### External lawyers

The External Lawyers Network (ELN) is responsible for the search, selection, maintenance and monitoring of the network of external lawyers. These take on a prominent role, as they are called upon to intervene in the judicial management of problematic claims.

The accreditation and recruiting of external lawyers is initiated in the presence of specific needs.

**All lawyers must sign the Operational Agreement,**

**which defines the principles of correctness and ethics with which the lawyers must comply during the performance of their duties for the Group.**

The doValue Operational Agreement expressly envisages the obligation on behalf of the external lawyers to digitalise all documentation relative to their assigned duties, with an evident saving in terms of printed material and related environmental advantages. In the same way, doValue has implemented a cumulative electronic invoicing system (whereby a single invoice is submitted for each mandate irrespective of the number of entries that this contains). Another obligation expressly ratified by the Operational Agreement is the exclusive use of the “Ex Parte Creditoris” computer system (EPC), which since it is web-based can be used anywhere.

For years the ELN has been using a digital signature system of documents sent via certified email. Prior to the allocation of new roles, new lawyers attend a training course on the management system, the manual for which is always accessible to all lawyers through the Consolidated Document of External Lawyers (TULE), along with the description of the doValue management and business model.

The measurement of the quality of the assignments’ management, as well as the level of reliability and behavioural coherence, takes place according to the same methods described for ECN.

The monitoring areas include a number of indicators, including:

- the monitoring of logins to the EPC management system;
- the number of favourable settlements obtained in recognised proceedings;
- the level of proactivity of the lawyer based on the assessment of proposals for judicial settlements submitted to the EPC and approved;
- the timings of each lawyer in real estate enforcement proceedings.

The criteria defined to determine ratings aim to provide each professional with a comparative analysis between individual quality levels and reference benchmarks (national benchmarks for each factor), comparing optimum reference parameters with different rating components.

An IT system has also been implemented which is designed to allow users to understand the ratings system

and the individual factors. The results of the analysis are submitted (confidentially and on an individual basis) to each lawyer as a further incentive to improve personal performance.

With regard to the portfolios managed via the IFAMS/ EPC CRE operating systems (former Italfondario S.p.A. scope), the performances of lawyers are assessed by the Asset Managers through the internal IFAMS system.

**The lawyers are evaluated for each of the following aspects: accuracy of acts and feedback; timeliness; proactivity; availability.**

The ratings generated are included in an internal report and monitored by the External Legal Network (ELN) of Italfondario (hereinafter also “ELN-ITF”). In cases of misalignment with company standards, ELN intervenes directly or reports inefficiencies to the Principal Bank (in the case of lawyers listed in the Register managed by the Principal Bank).

In the most serious cases, the suspension of the lawyer from receiving any new assignments may be ordered. In the case of lawyers managed directly by ITF, the suspen-

sion is approved with an internal resolution, while in the case of lawyers managed by the Principals, this is at the provision of the Bank.

To monitor the level of implementation of the data in the Lawyers Portal - EPC CRE by lawyers, ELN receives a daily report which indicates the percentage completion of the acceptance form of the allocated positions.

Prior to the provision of access permissions to the Portal and the assignment of new duties, training on the use of the software and the operational guidelines is provided to the new lawyer.

Attention to customers and the provision of services in a transparent and responsible manner is also expressed in the presence of procedures for the management of complaints, in compliance with applicable regulations from time to time and contractual commitments with their principals. As a result of this approach, it should be noted that no incidents of non-compliance regarding information and labelling of products and services were reported at Italian level during 2019.



# 4.2

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## Privacy and data security

Security takes on fundamental importance for the correct provision of the services. The Group adopts all the precautions necessary to minimise the inherent risks of the services offered, implementing and staying in line with the best security standards and also looking to the market to identify the appropriate protection tools in its supporting technological structure and to counteract IT fraud.

**At Italian and Greek level, the guidelines relating to logical security are formalised within a document framework that provides the addresses, methodologies and management standards to all the companies of the Group.** The framework is aligned with the best quality and compliance requirements in relation to the different operational areas and sources of risk:

- information security (ISO/IEC 2700x);
- operational continuity (ISO 27031:2011 and ISO 22301:2012);
- GDPR - New European Privacy Regulation;
- Directive 285 - Bankit;
- NIS - Directive 2016/1148 on the security of networks and information systems.

During 2019 there was an overall improvement in the “Security Posture” of the doValue Group thanks to organisational, procedural and technological interventions aimed at strengthening the governance of logical security for the entire Group.

In addition, the Group has seen to:

- the strengthening of Group governance through the inclusion of qualified resources and the activation of monitoring mechanisms;
- the finalisation of projects included in development programs aimed at strengthening the technological infrastructure and comprehensively enhancing the se-

- curity and resilience of the information systems;
- the underwriting of an insurance policy to cover cyber risks;
- focusing on awareness programs for staff.

During 2019, at Italian level doValue issued a **DPO Regulation** for the first time, which provides for the annual definition of activities and the reporting of their progress on a semi-annual basis. The foreign companies also have their own regulations, which are based on common guidelines.

In particular, Altamira has established measures to ensure maximum compliance with current privacy regulations, with reference in this case to the processing of the data and information collected, the effectiveness of which is currently an important competitive advantage factor.

Altamira’s compliance with current regulations is also confirmed by the presence of ad hoc clauses in contracts with suppliers and customers. For the control of data processing, a Data Protection Officer has been appointed in Spain, while in Portugal this service is monitored by the Portuguese Security Office and in Cyprus it is outsourced.

At Italian level, the cybersecurity objectives aimed at mitigating the risks inherent in the confidentiality, integrity and availability of information are defined within a specific **three-year Cybersecurity strategic plan**, developed by the ICT Governance & Innovation function, presented to the Board of Directors, where ad hoc development programs are implemented. The plan aims to continue building an even stronger defensive model to best address evolving threats and safeguard the confidentiality, integrity and availability of corporate information assets, thus raising levels of corporate security. For the protection of personal data, additional security

and control measures are ensured that, also in implementation of the regulatory measures dictated by the Privacy Guarantor, allow the complete traceability of banking operations carried out by employees and the activation of alerting procedures for all Group companies in case of potentially unauthorised access.

In 2019 doValue adopted the **Service Now GDPR module**, which offers perfect integration with the platform already in use within the company for the management of Service Requests. The adoption of this tool allows centralised management of the entire life cycle of sensitive data, providing an online processing register, collecting data from the Data Protection Impact Assessment (DPIA), monitoring compliance in terms of privacy and data protection, automating the notification process in case of data breaches and also allowing the monitoring of third parties.

In addition, doValue is equipping itself with a platform for the management of contracts and third parties in which special sections relating to the Data Protection Act (DPA) will be provided, to quickly and easily verify that the security criteria set out in the DPAs have been accepted by the supplier.

doValue has implemented the **CyberArk platform** to manage system administrator access securely and has monitored the platform itself, allowing the traceability

of a single operation performed on systems hosting or processing personal data of a user at a specific time.

The intrust solution implemented allows quickly and effectively tracking logs from network systems and devices and the detection of anomalies and malicious events, allowing the management of anomalies before they can materialise into real security attacks that could lead to a data breach.

It should be noted that there were no proven complaints regarding the violation of customer privacy and loss of customer data in the Italian and Greek companies in 2019, where a proven complaint means a written communication from the Authorities or a similar public supervisory body addressed to the organisation that identifies violations of customer privacy or a complaint submitted to the organisation that has been recognised as legitimate by the latter.

**Starting in 2020, doValue has defined a Cybersecurity Roadmap that includes further initiatives aimed at protecting privacy and sensitive data.** The plan aims to identify design streams in the field of cybersecurity and data protection aimed at protecting the company's information assets and complying with international standards of security, confidentiality, integrity and availability of data.

# 4.3

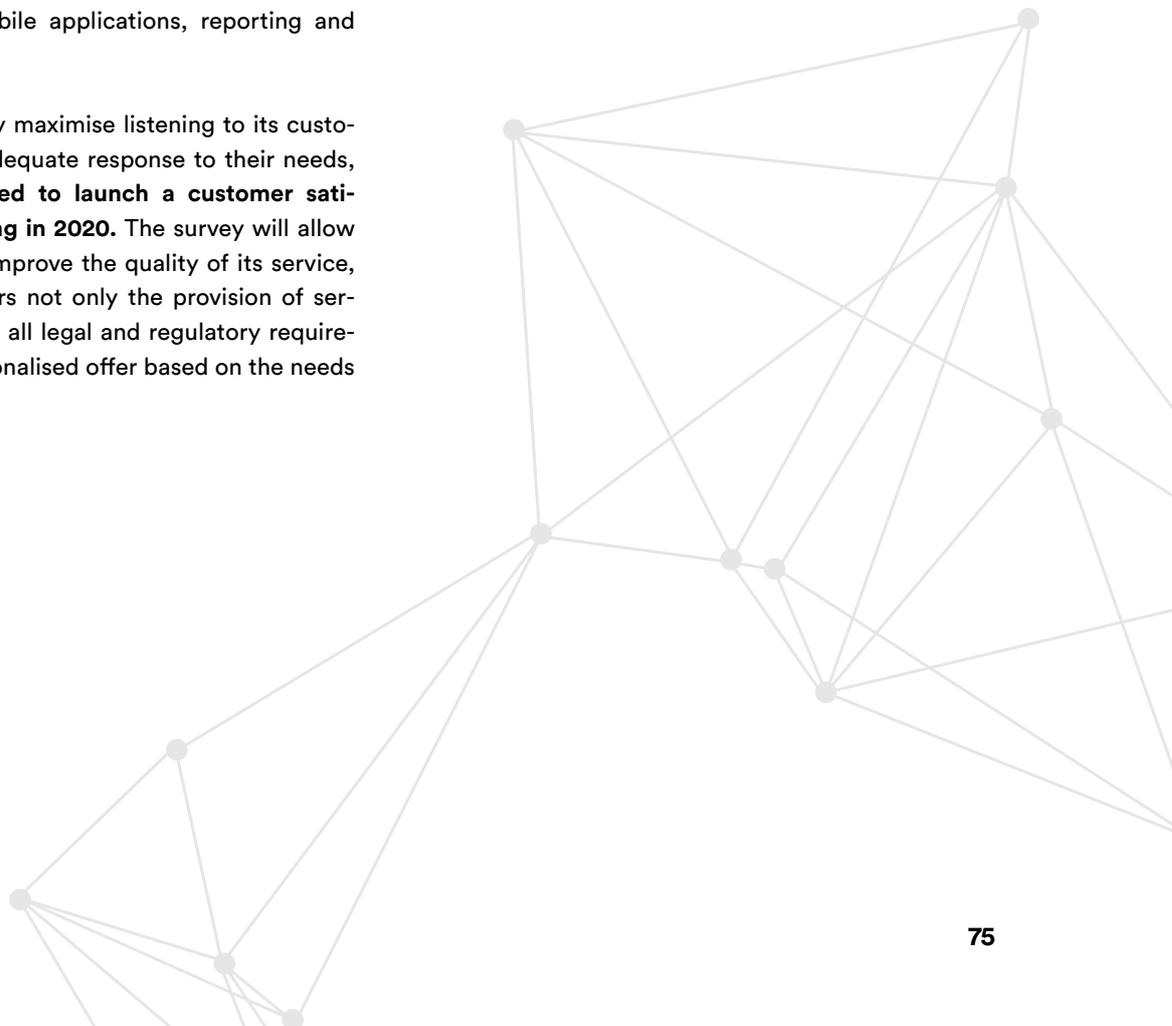
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## Monitoring the level of customer satisfaction

The priority objective of doValue is to meet the needs of customers, creating a solid and lasting relationship that is inspired by the principles of fairness, transparency and professionalism.

For this reason, the transposition of the legitimate needs and expectations of customers, carried out through multiple channels, remains an essential requirement for the Group to define its business strategies. For example, Altamira interfaces with its customers both directly (through business management committee meetings, executive committee meetings, operations committee meetings, sales committee meetings, follow-up and coordination meetings) and indirectly (with emails, calls, videoconferences, mobile applications, reporting and claims systems).

In order to increasingly maximise listening to its customers and ensure an adequate response to their needs, **the Group has decided to launch a customer satisfaction survey starting in 2020.** The survey will allow the Group to further improve the quality of its service, guaranteeing customers not only the provision of services that comply with all legal and regulatory requirements, but also a personalised offer based on the needs identified.



# 4.4

## Supply chain

In the second half of 2019, the Group decided to launch a project at Italian level for the optimisation of the processes and activities of the Group CA.

The project provides for the adoption of an e-procurement platform, structured in three modules for the management of: vendor management (supplier register), sourcing (tenders and rfx), contracts (contract management). The forms within the platform are interconnected and allow the tracking, in “end to end” mode, of the entire procurement process. The platform envisages full interoperability, in order to allow integration with Corporate Legacies, for all reporting and business intelligence activities.

Regarding the process of supplier selection, qualification and monitoring, the vendor management module has been active since January 2020, structured in four phases.

### 1. Pre-qualification

Potential suppliers are asked to fill in a questionnaire/ clauses for the collection and acceptance of a series of information of an administrative, ethical, social, environmental and occupational safety nature:

- acceptance of doValue’s personal data processing document;
- acceptance of the organisation and management model of doValue 231/2001;
- acceptance of the doValue Code of Ethics;
- adherence to the anti-mafia law 136/2010;
- acceptance of the doValue Anti-Corruption Policy;
- self-declaration of absence of pending offences and sanctions related to Italian Legislative Decree 231/2001;
- declaration of having a corporate responsibility system with standards similar to those established by standard SA800, and possibly having certification;

- declaration of having an environmental management system with standards comparable to those established by ISO14001, and possibly having certification;
- social insurance contribution regularity (DURC);
- occupational safety (DVR);
- compliance and application of collective agreements (National Collective Labour Agreement - CCNL).

All this information and requirements, duly organised and weighed, represent the minimum and necessary set that the supplier must provide in order to access the qualification process.

The output of this phase generates a score, which, if lower than the minimum threshold, does not allow the supplier to continue in the process, as it is not in line with the minimum standards required by the doValue Group.

### 2. Qualification

At this phase, available only to suppliers who have passed the pre-qualification phase, suppliers are asked to fill in questionnaires on technical and commercial aspects related to the categories chosen during the pre-qualification phase.

This information is also given scores, which are added to those obtained during the pre-qualification phase.

### 3. Vendor Rating

Periodic campaigns are planned which are aimed at evaluating all the results and performance of the supply relationship, through the collection of KPIs provided by all the units involved (contract holder, Administration, Compliance, Risk Management, key user, etc.).

These vendor rating parameters are normally reported in logical tree structures, which are assigned appropriate weights and defined valuation metrics.

The result of this phase determines the maintenance or variation of the score assigned during the qualification phase and guides the future choices of the CA, also offering the chance to carry out any corrective actions in good time.

#### 4. Continuous monitoring

Continuous monitoring of information and qualification parameters is envisaged through updating by the supplier itself (obligation explained in the portal use regulations).

The system exercises a series of controls and automatically generates alerts for the CA and any units involved, modifying the status of the supplier until the problem is resolved.

This mode allows the company to keep the vendor list up to date and in line with company parameters and any legal and regulatory changes that may occur over time.

Suppliers are also a key factor for Altamira's business success. The Altamira companies have adopted a **Supplier Approval and Engagement procedure** which is useful for the selection of suppliers and collaborators (e.g. lawyers, consultants and loan recovery companies), where the selection processes of partners are defined based on technical and objective criteria adapted from time to time to the type of goods or services to be supplied and focused on the principles of transparency, competition and competence.

Through the procedure, Altamira ensures that key requirements are met, including:

- absence of reports from potential suppliers relating to money laundering and terrorism financing;
- transposition by suppliers of the latest available updates in the field of tax, social and other obligations required by current legislation;
- compliance by potential suppliers with the minimum conditions required by Altamira in legal, fiscal, technical and risk mitigation terms.

Finally, it should be noted that contracts with suppliers include an anti-corruption clause, which requires a guarantee that ethical and professional conduct is maintained at all times in the business relationship, avoiding any behaviour that could result in the violation of applicable laws or regulations on corruption.

There is a procedure for selecting suppliers in Portugal as well, called 'Procedimento de celebração de contratos de mediação imobiliária'. It lays down the principles and procedures to be followed in the selection of real estate intermediaries.

As for Cyprus, most of the suppliers are selected from lists pre-authorised by their customers.

Regarding the selection of suppliers, the Group tries to give preference to those from the same countries in which it operates. In Italy, 88% of total supplier turnover comes from local suppliers, a percentage that rises to 96% in Greece and stands at 98% in Spain.

In the pursuit of transparent business relationships which can create shared value, Altamira also pays attention to the sustainability characteristics of suppliers: in the supply of services whose value exceeds € 75,000, **Altamira requires suppliers to submit their Environmental Policy or ISO 14001 certification**. In the event that the request cannot be met, the suppliers must submit a document explaining the reasons why.

Altamira meets weekly to evaluate the development and performance of the services provided.

The Altamira companies in Cyprus and Portugal are also working to develop similar systems of supplier evaluation and engagement, in line with the practices of the Spanish company.

Regarding the evaluation of new suppliers on the basis of social and environmental criteria, in Italy the percentage stood at 16% in 2019, a percentage destined to reach 100% in 2020 due to the new supplier selection, qualification and monitoring process active from January 2020.

In Greece, Spain, Portugal and Cyprus, however, no supplier evaluations were carried out during 2019 on the basis of these criteria, although social and environmental aspects are taken into account prior to the definition of relevant supply contracts.





## **ENVIRONMENTAL VALUE**



In view of the business and operational model of the doValue Group, environmental impacts refer to energy consumption, the use of consumables and waste disposal and management.

These issues are considered in procedures for the purchase and management of real estate and offices, which at Italian level are the responsibility of the General Services Organisational Unit and in particular the two Purchasing and Facility&Safety Offices.

Already in 2017, the Group launched a project related to territorial reorganisation, aimed at rationalising company spaces. The project also continued in 2019 with the rationalisation of spaces and the closure of eight territorial offices (Brescia, Florence, Messina, Perugia, Lecce, Padua, Verona P. Monte and Verona Via Garibaldi).

Regarding environmental compliance aspects, in Italy doValue has implemented, in collaboration with Ergo, a control tool in order to monitor and ensure the company's compliance with current regulations on environmental law. In detail, the supplier has supported doValue:

- in the regular updating of the applicable environmental legislative framework, the identification of risks and

the definition of controls associated with compliance with any new legislation;

- in the periodic populating of the model, through the reporting of the results of the checks, or of the evidence emerging in audits;
- in the support for the identification and implementation of mitigation actions necessary for the management and resolution of non-conformities detected during audits.

Altamira is also committed to mitigating its environmental impacts and in particular seeks to maximise the life cycle of materials and energy resources. Specifically, the Spanish company implements initiatives and monitors its impact on the environment; the Cyprus and Portugal companies focus on the recovery of debts related to real estate and its marketing by third parties and therefore environmental impacts are not a significant aspect.

The Group's responsible approach to the environment is reflected in the absence, also in 2019, of financial penalties and non-monetary sanctions related to compliance with environmental laws and regulations.

>500 kg

waste per year collected from the seas thanks to the LifeGate PlasticLess project in Italy

1,384 mq

forest areas created in Italy's Ticino Park, thanks to the Zero Impact® Web Project

46%

renewable energy over total energy consumed

# 5.1

## Consumption of materials

doValue followed up its commitment to reducing material consumption in 2019, also through the promotion and dissemination of virtuous practices both among employees and in business relationships.

For example, in Italy the Group seeks to limit printer paper and toner consumption through a personal PIN printing system, which the employee must type at the device in order to start printing. With regard to printing paper, both Italy and Greece give preference to the consumption of paper with sustainability characteristics.

Altamira also pays attention to the responsible use of materials, although this entails limited environmental impacts, in light of the type of business. It should be

noted, for example, that already in 2018 in Madrid, the Spanish company replaced about 30 laser printers in favour of new models that allow a reduction in toner consumption.

The Group also has several initiatives aimed at reducing plastic consumption: for example, at Italian offices it has provided its employees with a bottle, while in Greece it has replaced plastic cups and plates with paper or durable materials.

Materials used by weight or volume <sup>6</sup>	UoM	2019	2018	2017
Paper	Kg	59,271	46,400	34,980
Toner	Kg	153	223	212
Other materials (envelopes, folders, binders, boxes, labels, signature books, return receipt postcards)	kg	16,145	-	-

<sup>6</sup> The data refer only to the Italian companies, Greek company and Spanish company of the Group. For the Altamira companies in Cyprus and Portugal, the consumption of materials was not considered material.

Of the materials used in 2019, those which are renewable amounted to 59,516 kg, mainly attributable to the consumption of paper, largely FSC certified. The remaining 16,052 kg of materials consumed are non-renewable.

# 5.2

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## Energy consumption and greenhouse gas emissions

The energy consumption of the Group is predominantly linked to the use of heating and air-conditioning systems, the operation of the data-centre and the server rooms and the office lighting systems.

**During 2019, the Group implemented the 2018 goal of improving energy sustainability.** In particular, in September 2019 doValue contracted the supply of electricity with Repower srl for the entire real estate perimeter of the Group's Italian headquarters. The electricity provided by the supplier, whose provenance is verified by the TUV Italia certification body, is produced by plants powered by renewable sources located in Italy and the supply is proven by "Guarantees of origin (GO)".

It should be noted that in the course of 2020 a new tender will be held for the definition of a new offer for the sale of energy.

Also with reference to the Italian perimeter of the Group, in continuity with what was achieved in 2018 for Italfondario, in 2019 the Parent Company also conducted an energy diagnosis, i.e. an analysis of the quantity and quality of energy used for different purposes such as heating, cooling and lighting. The activity was entrusted to Repower srl.

In addition, an awareness-raising activity was carried out for employees of the headquarters in Rome, Milan and Verona, in order to reduce energy consumption for the lighting of unused rooms.

The commitment of the Greek company of the Group is aimed at reducing environmental impacts through policies for the automatic switch-off of lights and air

conditioning during night hours, and energy efficiency through daily window closure checks and using electronic equipment of category A++.

The Altamira companies are also attentive to the efficient consumption of energy resources, the use of which remains confined to the performance of daily business activities. The optimisation of energy consumption therefore has a limited range of applications, but there are initiatives in this regard, such as the aforementioned replacement of old laser printers in the Madrid offices, which has also had the effect of reducing energy consumption.

<b>Energy consumption within the organisation<sup>7</sup></b>	<b>UoM</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>Natural gas consumption</b>				
Natural gas	GJ	6,760	9,021	8,697
<b>Electricity consumed</b>				
Electricity purchased	GJ	15,623	9,010	9,102
Of which renewable sources (purchased)	GJ	7,183	4,982	7,259
% renewable of the total	%	46%	55%	80%
<b>Energy intensity</b>				
<b>Natural gas consumption</b>				
Natural gas	GJ/average no. employees	3.45	7.25	7.08
<b>Electricity consumed</b>				
Electricity purchased	GJ/average no. employees	7.98	7.24	7.41
Of which renewable sources (purchased)	GJ/average no. employees	3.67	4.00	5.91

<sup>7</sup> The data refer only to the Italian companies, Greek company and Spanish company of the Group. For the Altamira companies in Cyprus and Portugal, the energy consumption was not considered material.

In addition to the consumption reported above, the consumption of petrol and diesel related to the company car fleet in Spain is detected at an amount of 1,323 GJ.<sup>6</sup>

The average number of employees in Italy, Greece and Spain is 1,957. The table shows the values using the same unit of measurement (giga joule). In the 2017 NFS the table showed the consumption of natural gas in Scm and that of electricity in kWh.

<sup>6</sup>Data on the Italian companies' fleets are currently not available.

The following table presents the data relating to emissions (Scope 1 - Direct Emissions, and Scope 2 - Indirect Emissions linked to Energy Usage). The initiation of a process for the collection and quantification of data on emission sources not yet included is currently being considered (e.g. fluorinated gases from leaks and charging of air conditioning motors).

<b>Emissions <sup>a</sup></b>	<b>UoM</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>Direct emissions (Scope 1)</b>				
Natural gas	tCO <sub>2</sub> e	345.239	456.350	439.995
<b>Indirect emissions (Scope 2)</b>				
Electricity purchased from the network (Location-based emissions)	tCO <sub>2</sub> e	1,431.16	369.873	169.224
Electricity purchased from the network (Market-based emissions)		1,093.51		
<b>GHG tCO<sub>2</sub>e emissions / average no. employees</b>				
Direct emissions	tCO <sub>2</sub> e/ average no. employees	0.176457	0.36684	0.35830
Indirect emissions (location-based)	tCO <sub>2</sub> e/ average no. employees	0.731490	0.29733	0.13780
Indirect emissions (market-based)	tCO <sub>2</sub> e/ average no. employees	0.558909		

The Scope 1 emissions include only CO<sub>2</sub> and exclude other gases (e.g. HFC).

<sup>a</sup> The 2017 and 2018 data relating to the GHG emissions and GHG emissions by average number of employees published in the previous NFSs have been restated following the refinement of the calculation methods.

The direct emissions for Spain should also include 84 tCO<sub>2</sub>e arising from the consumption of diesel fuel of the company car fleet and 5 tCO<sub>2</sub>e arising from the consumption of petrol. The source of the conversion factors for the calculation of this type of emissions is the Ecological Transformation Ministry of Spain.

<b>Conversion factors</b>	<b>UoM</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Natural Gas Emission Factor - Source: DEFRA 2019	kgCO <sub>2</sub> e/ kWh	0.1838	0.1842	0.1842
Terna - International comparisons 2017	kgCO <sub>2</sub> e/ kWh	- 0.359 (Italy) - 0.498 (Greece) - 0.296 (Spain)	-	-
European Residual Mixes 2018	kgCO <sub>2</sub> e/ kWh	- 0.487 (Italy) - 0.696 (Greece) - 0.451 (Spain)	-	-
Italy Mixed Electricity Emission Factor - Source ISPRA	kgCO <sub>2</sub> e/ kWh	-	0.3306	0.3306

# 5.3

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## Waste production and disposal

The doValue Group is inclined to adopt responsible behaviour with regard to the production and disposal of waste, which are in any case related only to office activities. This responsibility is expressed in compliance with the regulations in force within the countries and in the dissemination of good practices that employees are called upon to adopt in their daily work.

In 2019 doValue entrusted waste disposal to third-party companies and contracted cleaning companies.

At Italian level, the Group companies are in possession of the relative forms provided by the cleaning company Superlinda certifying the correct disposal of generated waste. In addition, by entrusting the cleaning service to a single supplier in the two-year period 2018 - 2019, the control and management of waste and the production of the required reports was centralised as much as possible.

The doValue Group has implemented a separated waste policy in every Italian and Greek office and provided dedicated recycling bins for paper/cardboard, plastic/metal/glass and organic waste to all company offices in Italy.

Altamira also adopts behaviours aimed at reducing waste production as much as possible. Among the initiatives implemented, mention should be made of:

- the recycling of paper, which the company contracts to an external supplier with regard to the destruction of confidential documents in compliance with the provisions of the standard UNE-EN 157:13:2010;
- responsible destruction of computers, also in this case carried out by a supplier who, on the one hand, guarantees disposal in accordance with the Data Protection Law, and on the other, ensures the proper conduct of the recycling process of the devices;
- recycling of batteries, for which special containers

have been placed in the Group's Spanish offices, in response to the campaign conducted by the environmental department of the regional government;

- correct sorting and recycling of waste through the placement in the Spanish company's headquarters of special containers for the separate collection of organic waste, plastics, metal, paper, cardboard and fluorescent materials.

Waste management is included in the environmental risks related to Altamira's business and therefore the suppliers responsible for the provision of maintenance services and the execution of real estate conservation works act in compliance with the relevant regulations, documenting the management and correct control of waste.

With these suppliers, environmental checks are carried out through two different lines of action:

- preventive checks carried out by the supplier in question, who is contractually obliged to include these checks in the maintenance plan for each property. They are also conducted if requested by the administration or by third parties;
- corrective actions, defined following a prior check or at the request of a third party (mainly public authorities) when an environmental risk is detected.

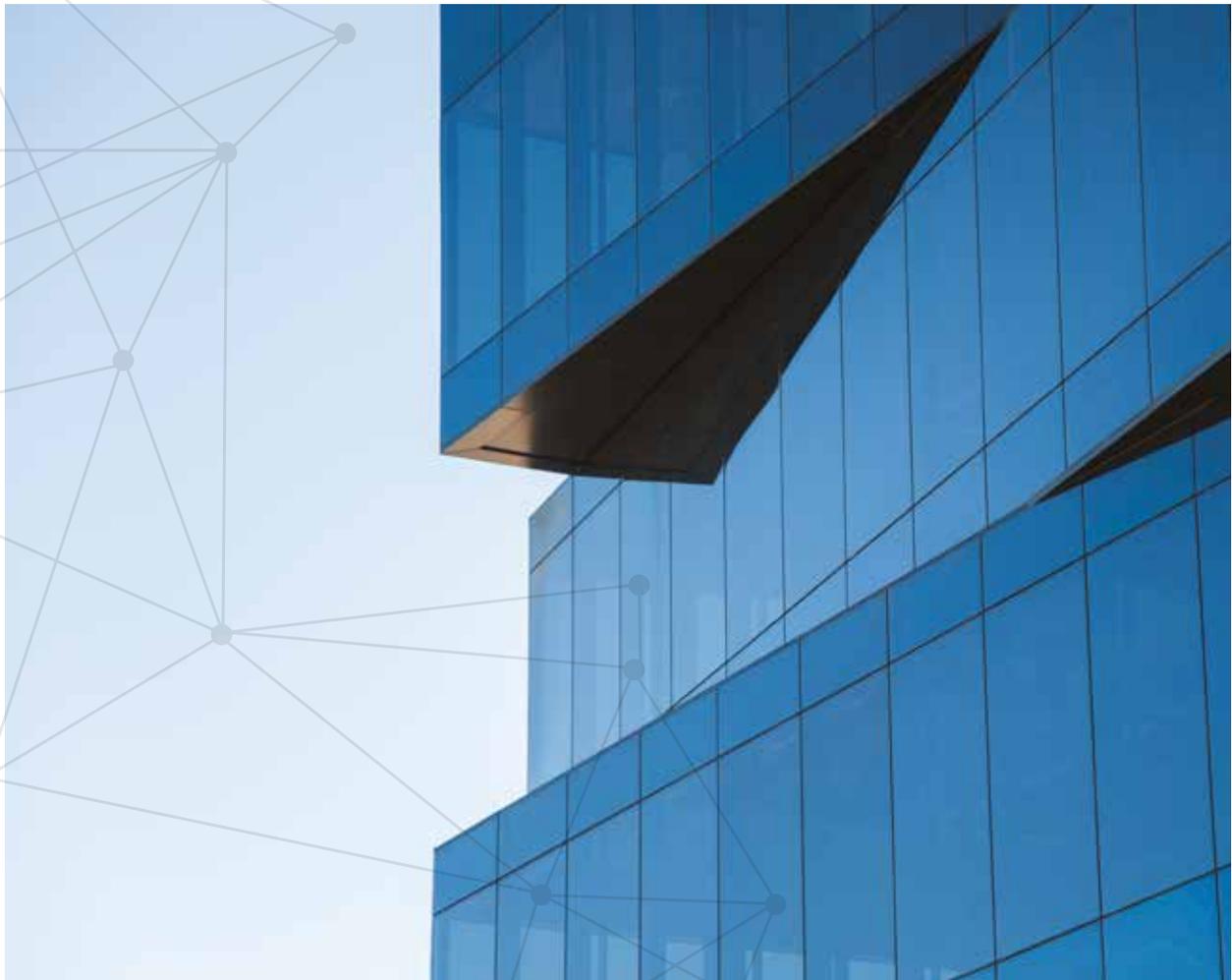
Altamira also requires its suppliers to implement responsible waste production and disposal practices, operating in accordance with the laws and regulations in force.

<b>Waste<sup>9</sup></b>	<b>UoM</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Total waste produced	Kg		<b>260</b>	<b>21,637</b>
Of which hazardous	Kg	-	1	577
Of which not hazardous	Kg	7,772	259	21,060

<sup>9</sup> The data refer only to the Italian companies and Greek company of the Group. For the Altamira companies in Spain, Cyprus and Portugal, the production of waste was not considered material.

The increase in the production of waste found at Italian level in the course of 2019 is linked to the closure of eight offices of the perimeter property of the Group, with subsequent activities of clearance and items to be destroyed.

Regarding the method of disposal, in 2019 the Italian companies and the Greek company of the Group allocated 6,460 kg of produced waste for recycling and the remaining 1,312 kg for recovery.



# 5.4

## Projects and initiatives

doValue is sensitive to issues such as environmental sustainability and is ready to take concrete action to proactively address the challenge of pollution and ensure that future generations have a cleaner, more liveable and more sustainable planet.



For this reason, in 2019 it chose to join the **LifeGate PlasticLess®** initiative and support the Tourist Port of Rome in the battle against plastics in the seas, promoting a concrete commitment for the territory and the community. PlasticLess® is the LifeGate project created to protect the health of the sea and contribute to the reduction of marine pollution through the collection of plastic waste in the waters of ports and nautical clubs. Thanks to the support of doValue, LifeGate's innovative Seabin was placed in the Tourist Port of Rome in Ostia, a «plastic eater» capable of capturing about 1.5 kilograms of debris per day from the surface of the water, or more than half a ton of waste per year. Participation in the PlasticLess project is an important stage in the sustainability path that doValue has undertaken for years and that it shares with its stakeholders.

In line with its CSR policy, doValue subscribes to the **Zero Impact®** Web project of Lifegate with all the websites of the Group companies, which enables the reduction of environmental impacts caused by use of the

internet. In this way, the Group offsets carbon dioxide emissions relating to visits to its website by contributing to the creation and protection of growing forests. As in the previous years, this initiative has enabled the creation and protection of approximately 1,384 m<sup>2</sup> of growing woodland in the Park of Ticino, equating to 3,456 kg of compensated CO<sub>2</sub>. The partnership with Lifegate represents the tangible commitment of doValue to a reforestation project aimed at combating global warming.



Also in its internal practices, such as **the organisation of events**, doValue demonstrates a commitment to a lower impact on the environment. The Parent Company's Communication Department relies on certified partners that guarantee high quality and **sustainable** standards for the organisation of internal and external Group events, such as catering services with organic products at 0 km and the production of gadgets with materials certified in respect of the environment.





## **SOCIAL VALUE**

# 6.1

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## CSR Initiatives

As part of the Communication plan dedicated to CSR, the doValue Group supports the dissemination of an ethical and environmental culture by promoting innovative projects and awareness-raising campaigns in favour of NGOs and charities to all stakeholders.

In particular, doValue invests in the territories in which it operates, considering social responsibility a fundamental issue for the community and for sustainable development, promoting CSR-oriented behaviour, including among employees.

To this end, the Parent Company's Communication Department envisages, in its communication strategy, a CSR activity plan and initiatives aimed at reaching all stakeholders (internal and external) and creating a strong and distinctive corporate identity to consolidate a climate of trust towards all Stakeholders.



Since 2016, the doValue Group in Italy has been a partner of Save the Children and exclusively supports the Spazio Mamme (Mother's Support Centre) project in the Torre Maura district of Rome.

The Mothers' Support Centre is part of Punto Luce of Save the Children and aims to improve the living conditions of mothers and children who live in socially disadvantaged situations or deprivation in the municipality of Rome.

As part of its CSR policy, the support for Save the Children represents for doValue a constant commitment to combat the phenomenon of educational poverty and prevent child poverty. The creation of a support network and personalised pathways are fundamental activities in the process of social emancipation of families and parental empowerment.

The Mother's Support Centre is a meeting place where families and their children receive counselling and guidance services with concrete food support, psychological and legal support, as well as dedicated educational activities and targeted support pathways.

Thanks to the workshops offered by the Association, such as family budget management, sustainable consumption styles, the Italian language or work-oriented workshops, families (adults and minors) are actively involved and accompanied on a path of growth and social inclusion.

**Thanks to the support of the doValue Group, in 2019 the Mother's Support Centre of Torre Maura was able to accommodate 905 beneficiaries, including 409 minors and 496 adults.**

During 2019, several initiatives were implemented:

- the site-visit was renewed at the Mother's Support Centre in Rome, which allowed doValue employees to meet and listen to the experiences of many parents who benefit from the services of the Centres and learn about the importance of the Company's commitment to Save the Children;
- the second edition of the corporate volunteer project "Volunteering for Save the Children" was held in Rome and Milan, in which employees of the offices involved participated in training sessions on different topics and carried out volunteer activities aimed at support-

ting parents for work orientation and family budget management, where in particular:

- work orientation is a path that aims to enhance professional skills, accompanying mothers in the preparation of CVs and in the management of a job interview. doValue employees made a strong positive contribution by carrying out three training sessions in which 26 parents participated;
- family budget management is instead a training course that aims to provide useful tools for parents to manage the family money situation and prevent debt, adopting sustainable consumption styles. Thanks to the participation of its employees, doValue contributed directly to the implementation of the workshop by organising two meetings attended by 21 parents.

The Payroll Giving program “A coffee for Save the Children” continued as in the previous years, a project which allows employees to allocate a free amount, directly from their monthly pay, to support Save the Children projects. In collaboration with the Association, “Children in the Office Day” was also organised at the Rome and Milan offices, an initiative which permits the children to get to know and explore Mum and Dad’s workplace. Promoted by *Corriere della Sera*, Children’s Day in the Office 2019, entitled “Nobody is too young to make a difference”, saw the collaboration of Save the Children trainers who led children on a path of sensibility and awareness through the creation of games with recycled materials and a short theatrical performance.

Finally, also since 2016, the Group has participated in the Wish List and plans to donate its budget for corporate gifts to the Association’s projects, creating electronic greetings for Christmas cards in Partnership with Save the Children. For 2019, doValue has chosen to purchase a water pump for an entire community and provide mothers and children with safe drinking water and sanitation to protect them from the risk of contracting diseases related to the use of unclean water.

In addition, doValue supports AISM, the Italian Association that comprehensively addresses Multiple Sclerosis and promotes fund-raising in favour of the study and research of this serious disease.

The Group supports the Giornate della Gardenia and Mela di AISM campaigns, hosting volunteers from the



Association at its own offices. In 2019 about € 3,000 were collected to support the numerous scientific research projects aimed at the care and development of services for youngsters affected by Multiple Sclerosis. The initiative was promoted through various communications channels.

**905**  
beneficiaries  
of Spazio Mamme  
by Save the Children

doValue in Italy also supports AIRC, the Italian Association for Cancer Research, which contributes to cancer research and the dissemination of scientific information through fund-raising. The Group participates in the “Research Chocolates” initiative, disseminated through the various communication channels, hosting the Association’s volunteers in its headquarters.



doValue chose to support the Hopen Onlus Foundation, an organisation involved in favour of children and youngsters affected by rare genetic illnesses.

Around 350 million people worldwide are affected by rare genetic diseases and in Italy it is estimated that more than 1 million children under the age of 16 are affected.



The Hopen Foundation offers support to families in the difficult process which they must face and its mission is to further the autonomy and independence of the kids, focusing on social integration and furthering the approach to the world of employment. The doValue Group supports the Hopen Foundation to contribute towards the implementation of the numerous projects conceived by the organisation.



Lastly, during the year the Parent Company’s Communication Department contributed to the creation of the new ABI column entitled doGood, created to recount the best practices of banking, financial and insurance companies in the field of CSR. The column describes, through the testimonies of the protagonists involved, how CSR projects often transcend company boundaries, generating a collective sharing capable of also becoming an important lever of personal growth.

# 6.2

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## Membership in industry associations

The doValue Group, to date, contributes to or is registered with numerous trade associations, including:

- ABI - Italian Banking Association;
- National Interbank Deposit Guarantee Fund;
- CBI (Customer to Business Interaction) Consortium;
- Conciliatore Bancario Finanziario;
- Asociación para la Racionalización de los Horarios Españoles;
- Asociación Española de Ejecutivos y Consejeros;
- Asociación de Promotores Inmobiliarios de Madrid;
- Asociación Promotores Constructores de España.







# GRI CONTENT INDEX

# GRI content index

GRI Standard	Disclosure	Page number	Omission	Exclusions of scope	Notes
<b>GRI 101: Reporting principles 2016</b>					
<b>General information</b>					
<b>GRI 102: General disclosures 2016</b>	102-1 Name of the organisation	Pages 7; 13			
	102-2 Activities, brands, products and services	Pages 14-16			
	102-3 Location of headquarters	Page 2			
	102-4 Location of operations	Page 13			
	102-5 Ownership and legal form	Page 17			
	102-6 Markets Served	Pages 13; 18-19			
	102-7 Scale of the organisation	Pages 6; 17			
	102-8 Information on employees and other workers	Pages 49-52			
	102-9 Supply chain	Pages 76-77			
	102-10 Significant changes to the organisation and its supply chain	Pages 7-8; 12-13; 76-77			
	102-11 Precautionary principle or approach	Pages 34; 80			
	102-12 External initiatives	Pages 22; 30; 53; 87; 90-92			
	102-13 Membership of associations	Page 93			
	102-14 Statement from senior decision-maker	Page 5			
	102-15 Key impacts, risks and opportunities	Pages 25-35			

GRI Standard	Informativa	Page number	Omission	Exclusions of scope	Notes
<b>GRI 101: Reporting principles 2016</b>					
<b>General information</b>					
<b>GRI 102: General disclosures 2016</b>	102-16 Values, principles, standards and norms of behaviour	Pages 20-24			
	102-18 Governance structure	Pages 29; 23; 53			
	102-40 List of stakeholder groups	Page 39			
	102-41 Collective bargaining agreements	Page 63			
	102-42 Identifying and selecting stakeholders	Page 39			
	102-43 Approach to stakeholder engagement	Pages 42-43			
	102-44 Key topics and concerns raised	Pages 42-43			
	102-45 Entities included in the consolidated financial statements	Pages 7-8; 13			
	102-46 Defining report content and topic boundaries	Pages 39-41			
	102-47 List of material topics	Pages 40-41			
	102-48 Restatements of information	Pages 7-8; 44; 66; 84			
	102-49 Changes in reporting	Page 41			
	102-50 Reporting period	Pages 7-8			
	102-51 Date of most recent report	Pages 7-8			
	102-52 Reporting cycle	Pages 7-8			
	102-53 Contact point for questions regarding the report	Page 8			
	102-54 Claims of reporting in accordance with the GRI Standards	Pages 7-8			
102-55 GRI content index	Pages 96-103				
102-56 External assurance	Pages 8; 136-138				

GRI Standard	Informativa	Page number	Omission	Exclusions of scope	Notes
<b>MATERIAL TOPICS</b>					
<b>ASSESSMENTS OF ECONOMIC AND FINANCIAL PERFORMANCE OF THE GROUP</b>					
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its scope	Pages 18-19; 40-41; 44-45			
	103-2 The Management approach and its components	Pages 18-19; 44-45			
	103-3 Evaluation of the management approach	Pages 18-19; 44-45			
<b>GRI 201: Economic performance 2016</b>	201-1 Direct economic value generated and distributed	Pages 44-45			
<b>ANTI-CORRUPTION PROCEDURES AND POLICIES</b>					
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its scope	Pages 21-24; 40-41			
	103-2 The Management approach and its components	Pages 21-24			
	103-3 Evaluation of the management approach	Pages 21-24			
<b>GRI 205: Anti-corruption 2016</b>	205-2 Communication and training about anti-corruption policies and procedures	Page 24	a) c) d)		The requirements a, c and d were not reported within this DNF because the data are not available.
	205-3 Confirmed incidents of corruption and actions taken	Page 22			

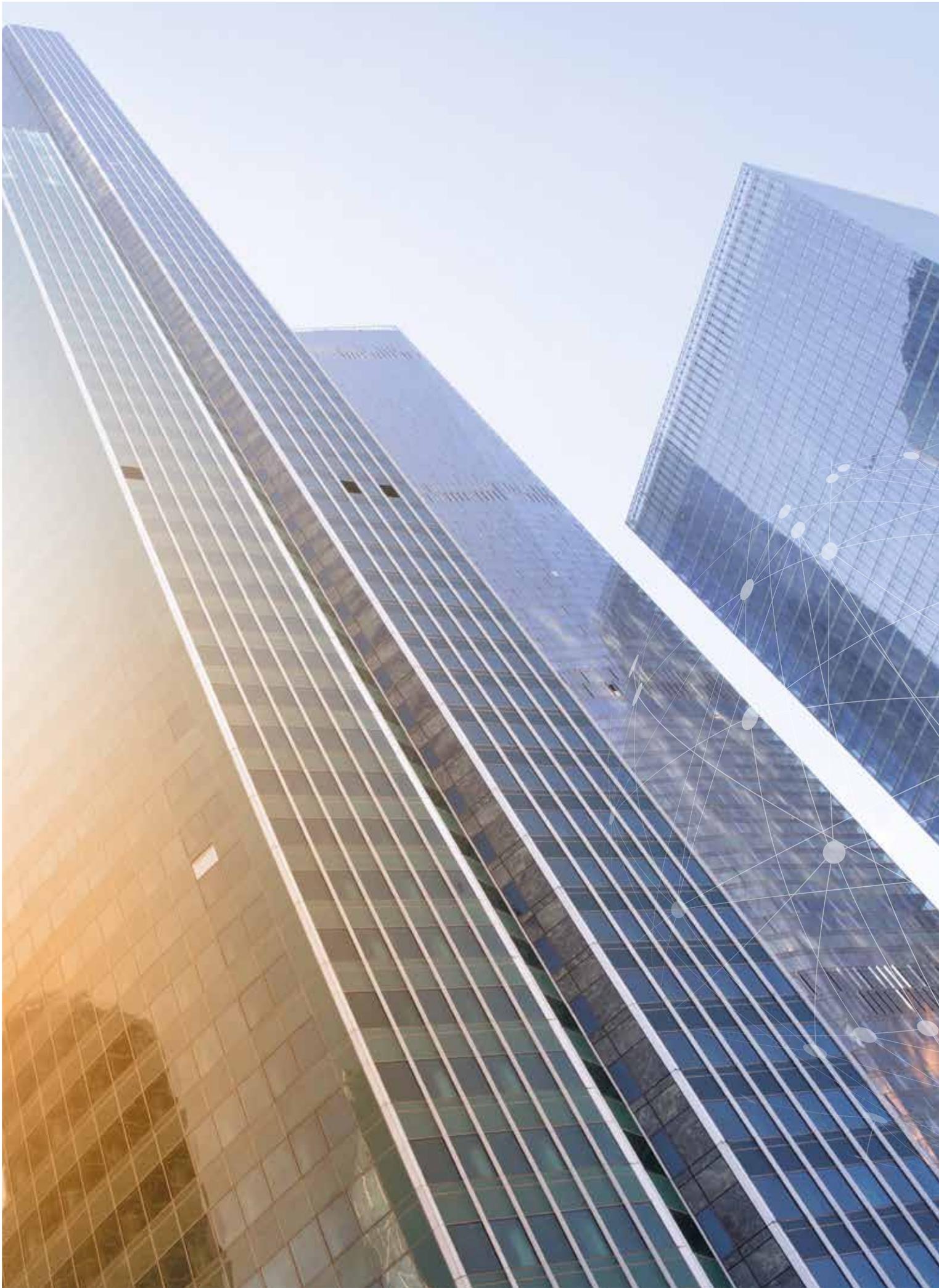
GRI Standard	Informativa	Page number	Omission	Exclusions of scope	Notes
<b>INNOVATION AND PROTECTION OF PRIVACY</b>					
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its scope	Pages 40-41; 73-74			
	103-2 The Management approach and its components	Pages 73-74			
	103-3 Evaluation of the management approach	Pages 73-74			
<b>GRI 418 Customer privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 74		Altamira Asset Management S.A., Altamira Asset Management Cyprus Limited, Proteus Asset Management Unipessoal Lda	The data will be available for the entire doValue Group starting in next year's reporting
<b>TRANSPARENCY, FAIRNESS AND RESPONSIBILITY IN THE PROVISION OF SERVICES SELECTED BY THE GROUP</b>					
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its scope	Pages 40-42; 70-72			
	103-2 Management approach and its components	Pages 14-16; 70-72			
	103-3 Evaluation of the management approach	Pages 14-16; 70-72			
<b>GRI 417 Marketing and labelling 2016</b>	417-2 Incidents of non-compliance concerning product and service information and labelling	Page 72		doValue Hellas Credit and Loan Servicing S.A., Altamira Asset Management S.A., Altamira Asset Management Cyprus Limited and Proteus Asset Management Unipessoal Lda	The data relating to the companies listed in the column "Exclusions of scope" are not available.

GRI Standard	Informative	Page number	Omission	Exclusions of scope	Notes
<b>STAFF TRAINING AND SKILLS DEVELOPMENT</b>					
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its scope	Pages 40-41; 58-61			
	103-2 Management approach and its components	Pages 58-61			
	103-3 Evaluation of the management approach	Pages 58-61			
<b>GRI 403 Training and education 2016</b>	404-1 Average hours of training per year per employee	Page 59			
<b>PROTECTION OF THE EMPLOYMENT AND WELFARE OF PEOPLE</b>					
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its scope	Pages 40-41; 48-52; 62-67			
	103-2 The Management approach and its components	Pages 48-52; 62-67			
	103-3 Evaluation of the management approach	Pages 48-52; 62-67			
<b>GRI 401 Employment 2016</b>	401-1 New employee hires and employee turnover	Pages 51-52			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 62			
<b>GRI 402 Labour/ management relations 2016</b>	402-1 Minimum notice periods regarding operational changes	Page 63			

GRI Standard	Informativa	Page number	Omission	Exclusions of scope	Notes
<b>PROTECTION OF THE EMPLOYMENT AND WELFARE OF PEOPLE</b>					
<b>GRI 403 Occupational health and safety 2016</b>	403-2 a. Types of injury, rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Pages 66-67	b)		Requirement b was not reported within this DNF because the data are not available.
<b>COMPOSITION OF GOVERNING BODIES AND PERSONNEL MANAGEMENT IN RESPECT OF EQUAL OPPORTUNITIES</b>					
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its scope	Pages 40-41; 53-57			
	103-2 The Management approach and its components	Pages 53-57			
	103-3 Evaluation of the management approach	Pages 53-57			
<b>GRI 405 Diversity and equal opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Pages 53-57			
<b>GRI 406 Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	Pages 53-57			
<b>ETHICS AND BUSINESS INTEGRITY</b>					
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its scope	Pages 20-24; 40-41			
	103-2 The Management approach and its components	Pages 20-24			
	103-3 Evaluation of the management approach	Pages 20-24			
<b>GRI 206 Anti-competitive behaviour 2016</b>	206-1 Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	Page 20			
<b>GRI 419 Socio-economic compliance</b>	419-1 Non-compliance with laws and regulations in the social and economic area	Page 20			
<b>ENVIRONMENTAL RESPONSIBILITY</b>					
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its scope	Pages 40-41; 80-87		Altamira Asset Management Cyprus Limited and Proteus Asset Management Unipessoal Lda	The information relating to the companies listed in the column "Exclusions of scope" are not material
	103-2 The Management approach and its components	Pages 80-87			
	103-3 Evaluation of the management approach	Pages 80-87			

GRI Standard	Informativa	Page number	Omission	Exclusions of scope	Notes
<b>ENVIRONMENTAL RESPONSIBILITY</b>					
<b>GRI 301 Materials 2016</b>	301-1 Materials used by weight or volume	Page 81		Altamira Asset Management Cyprus Limited and Proteus Asset Management Unipessoal Lda	The data relating to the companies listed in the column "Exclusions of scope" are not material
<b>GRI 302 Energy 2016</b>	302-1 Energy consumption within the organisation	Pages 82-83	e) f) g)	Altamira Asset Management Cyprus Limited and Proteus Asset Management Unipessoal Lda	The data relating to the companies listed in the column "Exclusions of scope" are not material
	302-3 Energy intensity	Page 83			
<b>GRI 305 Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	Page 84	c) d) f)	Altamira Asset Management Cyprus Limited and Proteus Asset Management Unipessoal Lda	The data relating to the companies listed in the column "Exclusions of scope" are not material. The requirements f of disclosures 305-1 and 305-2 were not reported within this DNF because the information is not available
	305-2 Energy indirect (Scope 2) GHG emissions	Page 84	d) f)		
	305-4 GHG emissions intensity	Page 84			
<b>GRI 306 Effluents and waste 2016</b>	306-2 Waste by type and disposal method	Page 86		Altamira Asset Management S.A., Altamira Asset Management Cyprus Limited and Proteus Asset Management Unipessoal Lda	The data relating to the companies listed in the column "Exclusions of scope" are not available or material, for the companies of smaller size
<b>GRI 307 Environmental compliance 2016</b>	307-1 Non-compliance with environmental laws and regulations	Page 80			

GRI Standard	Informativa	Page number	Omission	Exclusions of scope	Notes
<b>SUSTAINABLE MANAGEMENT OF THE SUPPLY CHAIN</b>					
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its scope	Pages 40-41; 76-77			
	103-2 The Management approach and its components	Pages 76-77			
	103-3 Evaluation of the management approach	Pages 76-77			
<b>204 Procurement practices 2016</b>	204-1 Proportion of spending on local suppliers	Page 77		Altamira Asset Management Cyprus Limited and Proteus Asset Management Unipessoal Lda	The data relating to the companies listed in the column "Exclusions of scope" are not material
<b>GRI 308 Supplier environmental assessment 2016</b>	308-1 New suppliers that were screened using environmental criteria	Page 77			
<b>GRI 414 Supplier social assessment 2016</b>	414-1 New suppliers that were screened using social criteria	Page 77			
<b>PROTECTION OF THE STABILITY OF THE BANKING SYSTEM</b>					
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its scope	Pages 14-16; 40-41			
	103-2 The Management approach and its components	Pages 14-16			
	103-3 Evaluation of the management approach  "Autonomous" indicators (not foreseen by the GRI)	Pagg. 14; 45	Pages 14; 45		
<b>MONITORING THE LEVEL OF CUSTOMER SATISFACTION OF THE GROUP</b>					
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its scope	Pages 40-41; 75			
	103-2 The Management approach and its components	Page 75		From next reporting year onwards, the Group will disclose KPIs related to the theme "Monitoring of the level of customer satisfaction of the Group"	Indicators not available.
	103-3 Evaluation of the management approach	Page 75			





**ALTAMIRA ANNEX -  
ADDITIONAL  
REQUIREMENTS  
ENVISAGED BY SPANISH  
LAW NO. 11/2018**

# 1

## Altamira Group

### 1.1 The year 2019 in numbers

	2019	2018
Net amount of revenues (thousands of euros)	301,253	298,580
EBIT (thousands of euros)	41,253	73,817
Consolidated profit for the year (thousands of euros)	49,510	37,861
Share capital (thousands of euros)	937	797
Payables to group companies and long-term collaborators (thousands of euros)	126,968	1,566
Non-current financial payables (thousands of euros)	35,496	321,659
Number of employees	1,159	1,053

### 1.2 The Altamira structure

#### 1.2.1 Parent company and subsidiaries

- Altamira Asset Management Holding, S.L. is the parent company of an organisation consisting of the following companies:
- Altamira Asset Management, S.A. (hereinafter “Altamira Spagna”), 85% owned and located at Calle José Echegaray, 6 (Las Rozas, Madrid);
- Proteus Asset Management Unipessoal LDA, with headquarters in Portugal and fully owned by Altamira Asset Management, S.A.;
- Altamira Asset Management (Cyprus) LTD, with headquarters in Cyprus and 51%-owned by Altamira Asset Management, S.A.;
- Altamira Asset Management Hellas – Member Company, with headquarters in Greece and 100%-owned by Altamira Asset Management, S.A..

## 1.2.2 Ownership, legal status and business

**Altamira Asset Management Holdings, S.L. was established in Madrid and registered for commercial and tax purposes at Paseo de la Castellana 143, 28046 Madrid.**

On 1 November 2017, subsidiary Proteus Asset Management, Unipessoal LDA (hereinafter also “Proteus”), located in Portugal, began operating, marking the beginning of Altamira’s internationalisation.

On 24 January 2018, subsidiary Altamira Asset Management Cyprus Limited (hereinafter also “Altamira Cyprus”), with headquarters in Cyprus, also launched its activities. The Cypriot company is 49%-owned by local bank Cyprus Cooperative Bank Ltd.

In June 2019, doValue S.p.A. completed the acquisition of an 85% stake in the share capital of Altamira Spagna with its subsidiaries in Portugal, Cyprus and Greece.

**The business purpose of Altamira includes investments and administrative and executive management, on its own behalf or for third parties, of all types of loans, receivables, debt instruments and real estate and the provision of other ancillary services.**

In particular, Altamira’s activities include providing the following services:

- portfolio consulting and management, meaning consulting on the sale and purchase of portfolios, consisting of the definition of methodologies for the management of assets and analysis activities (for example, due diligences and property valuations);
- management of loans, i.e. debt, on an in-court or out-of-court basis;
- implementation of corporate plans for the portfolio of Spanish company SAREB;
- marketing of real estate, through its development, as well as through the creation and implementation of adequate sales plans, including operational plans for assets management and letting of commercial and residential buildings;
- property development and promotion, through optimisation and management of land portfolios, economic and financial analysis of the development potential of land, implementation of initiatives for the design and development of suspended construction projects and the development of own and sub-contracted construction projects;
- international development, through the definition of a commercial methodology that envisages differentiated sales processes for the countries in which it is present.

Countries of operation	Spain, Cyprus and Portugal
Sector served	Real estate servicing
Clients and beneficiaries	Clients and beneficiaries of sales and services that mainly regard the management, execution and recovery of loans in and out of court, and the management, administration and sale of real estate.

As described in the above sections of the document, Altamira has numerous controls in place to ensure that business is conducted in accordance with its principles of ethics and integrity. With regard to the fight against corruption, in 2019 Altamira subjected all of its transactions (641) to an assessment of corruption risk, compared to 357 in 2018. Corruption risks are identified thanks to periodic analysis of risks and with the support of the Compliance Department, also in accordance with the provisions of the Corporate Defense Model.

## 1.3 Objectives and main strategic guidelines

Altamira aims to maintain its position as a leading financial assets and real estate manager, thanks to its integrated management model based on leadership, operational excellence, a results-oriented approach and teamwork.

The pursuit of this objective depends on the implementation of a strategy based on:

### 1. Sustainable growth:

- portfolio and customer diversification to increase business volume and reduce the level of dependence on a single customer, improving overall profitability and the sustainability of the business.

### 2. Attraction and retention of talents:

- consolidate and strengthen brand image by promoting the creation of value for employees;
- attraction and retention of talents through recruiting activities that reward skills and behaviours in line with the corporate culture and by means of training, development and career planning pathways;
- offering a competitive salary and a system of benefits linked to the achievement of individual and corporate objectives;
- implementing appropriate programs to foster work-life balance.

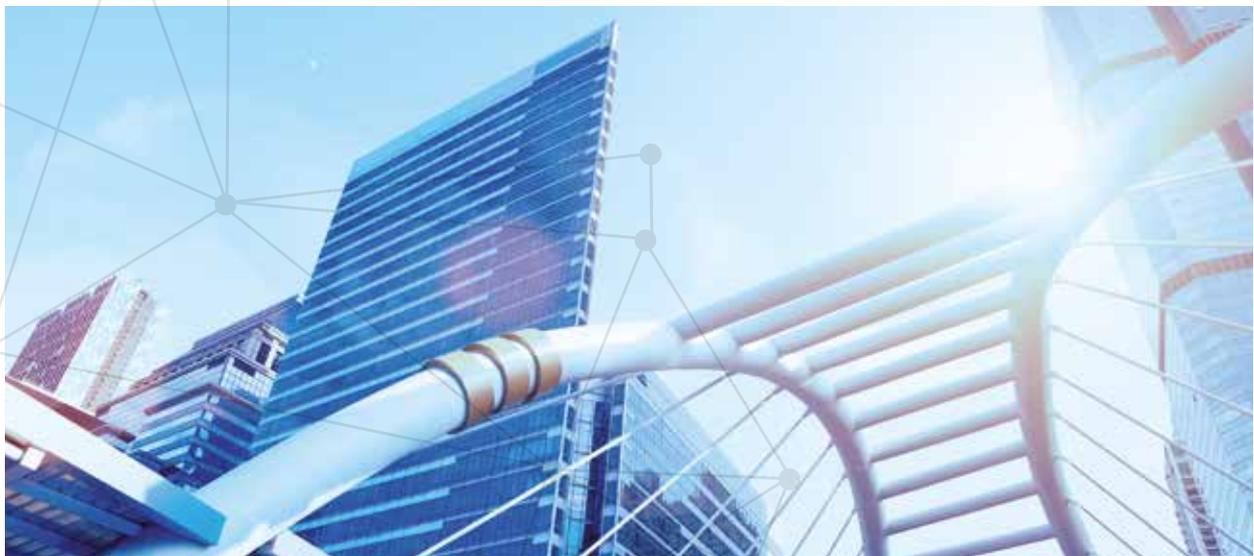
### 3. Digital marketing and sales, through the following activities and channels:

- Altamira Singularity, a new business line specialised in the marketing of new buildings, also customised;
- advertising agreements with Amazon for the creation of banners that lead to the Altamira site, relating to a selection of new homes located in attractive areas;
- digital channels such as the Altamira website and its portals such as Idealista and Fotocasa;
- 360° virtual tour of homes and the possibility to display virtual furnishings on the Altamira website, to support a better user experience.

### 4. Innovation and efficiency, through:

- artificial intelligence applied to the real estate sector to improve customer experience and the quality of the service offered;
- strengthening internal operational management tools for work processes and procedures;
- creating synergies between working groups to improve corporate productivity.

Altamira's strategy in the coming years will remain focused on national and international growth in the management of real estate and financial activities, as well as on the improvement of service quality through the constant consideration of the asset management objectives established by customers.



# 2

## Personnel-related matters

In addition to the topics covered within this document in the section dedicated to the Consolidated Non-Financial Statement of doValue, the following pages provide information relating to the management and characteristics of Altamira personnel.

### 2.1 Employee information

In the course of 2019 Altamira had 1,059 employees, in line with the 1,053 employees of 2018.

#### 2.1.1 Average contracts

The tables below report the average annual trend of fixed-term, full-time, and part-time contracts for the Spanish, Portuguese and Cyprus companies. The data are reported by professional category, gender and age of employees.

Spain - Average number of full-time, fixed-term and part-time contracts		2019						2018					
		Women			Men			Women			Men		
		≤29	30-50	≥50	≤29	30-50	≥50	≤29	30-50	≥50	≤29	30-50	≥50
Average number of full-time contracts	Top management	-	12.8	-	-	39.1	14.2	-	13.2	-	-	37.9	13.6
	Middle management	6.9	113.6	15.6	8	119.8	28.6	3.6	103.6	12.5	9	83.1	25.3
	Staff	17.2	139.7	22.9	15.9	83.5	45.9	13.6	92.4	23	10	57.3	48.3
Average number of fixed-term contracts	Top management	-	-	-	-	-	-	-	-	-	-	-	-
	Middle management	-	-	-	-	1.8	-	-	-	-	-	-	-
	Staff	-	-	-	0.3	-	-	-	-	-	-	1	-
Average number of part-time contracts	Top management	-	-	-	-	-	-	-	-	-	-	-	-
	Middle management	-	-	-	-	-	-	-	-	-	-	-	-
	Staff	-	-	-	-	1	-	-	-	-	-	1	-
<b>Total</b>		<b>24.1</b>	<b>266.0</b>	<b>38.5</b>	<b>24.2</b>	<b>245.2</b>	<b>88.7</b>	<b>17.2</b>	<b>209.3</b>	<b>35.5</b>	<b>18.9</b>	<b>180.2</b>	<b>87.1</b>

Portugal - Average number of full-time, fixed-term and part-time contracts		2019						2018					
		Women			Men			Women			Men		
		≤29	30-50	≥50	≤29	30-50	≥50	≤29	30-50	≥50	≤29	30-50	≥50
Average number of full-time contracts	Top management	-	1.2	-	-	5.7	-	-	1.3	-	-	5.0	0.9
	Middle management	0.3	10.4	0.6	1.6	9.5	-	-	2.8	0.9	0.7	6.3	-
	Staff	4.0	37.1	6.8	2.1	21.2	7.8	2.8	30.5	7.9	1.2	21.1	10.7
Average number of fixed-term contracts	Top management	-	-	-	-	-	-	-	-	-	-	-	-
	Middle management	-	-	-	-	-	-	-	-	-	-	-	-
	Staff	-	3.3	-	-	-	-	-	1.6	-	-	-	-
Average number of part-time contracts	Top management	-	-	-	-	-	-	-	-	-	-	-	-
	Middle management	-	-	-	-	-	-	-	-	-	-	-	-
	Staff	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>4.3</b>	<b>51.9</b>	<b>7.4</b>	<b>3.7</b>	<b>36.3</b>	<b>7.8</b>	<b>2.8</b>	<b>36.1</b>	<b>8.8</b>	<b>1.8</b>	<b>32.4</b>	<b>11.6</b>

Cyprus - Average number of full-time, fixed-term and part-time contracts		2019						2018					
		Women			Men			Women			Men		
		≤29	30-50	≥50	≤29	30-50	≥50	≤29	30-50	≥50	≤29	30-50	≥50
Average number of full-time contracts	Top management	-	1	-	-	2	-	-	1	-	-	2	-
	Middle management	2	37	3	-	33	9	1	34	7	-	30	13
	Staff	32	124	10	16	55	4	2	182	25	3	61	9
Average number of fixed-term contracts	Top management	-	-	-	-	-	-	-	-	-	-	-	-
	Middle management	-	-	-	-	-	-	-	-	-	-	-	-
	Staff	-	-	-	-	-	-	-	-	-	-	-	-
Average number of part-time contracts	Top management	-	-	-	-	-	-	-	-	-	-	-	-
	Middle management	-	-	-	-	-	-	-	-	-	-	-	-
	Staff	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>34</b>	<b>162</b>	<b>13</b>	<b>16</b>	<b>90</b>	<b>13</b>	<b>3</b>	<b>217</b>	<b>32</b>	<b>3</b>	<b>93</b>	<b>22</b>

## 2.1.2 Disability and accessibility management

As stated in the Code of Conduct, Altamira offers the same opportunities during recruitment and career development without distinction, including for those with disabilities.

The particular attention to the conditions of persons with disabilities is expressed in the presence of numerous measures to ensure universal accessibility to facilities and the removal of barriers and obstacles - physical and not - in every working environment. The adopted measures include:

- appropriate consideration of the question of “inclusion” in the management system for the prevention of occupational risks and the definition of effective protection in the context of health and safety for the benefit of all professionals, regardless of their physical condition;
- collaboration with numerous foundations in Spain, including:
  - Adecco Foundation, to create a corporate and work

model in which everyone can participate with equal conditions and opportunities, also assisted by programs such as “Plan Familia” (to promote the inclusion of disabled relatives of employees in the labour market) and “Plan Aflora” (for assistance in the process of organising and issuing the assessment certificate of disability levels);

- Integra Foundation, for the implementation of initiatives to support the socially excluded and the disabled, so that they can improve their living conditions by entering the world of work;
- Alares Foundation, for the promotion and inclusion of the disabled, those in conditions of difficulty or those at risk of social exclusion in the world of work;
- the presence, in the Altamira headquarters in Spain, of accessibility measures such as:
  - public transport near offices;
  - assigned parking spaces for disabled persons, whether employees or visitors;
  - street-level access to buildings, with suitable entrances and halls;
  - possibility of facilitated movement both horizontally and vertically inside the buildings through elevators and wide corridors.

No. of employees with disabilities	2019	2018
Spain	3	4
Portugal	-	-
Cyprus	3	-
<b>Total</b>	<b>6</b>	<b>4</b>

## 2.1.3 Training and transition assistance programs

Altamira offers its employees suitable plans to increase their skills in a continuous manner, as previously described within the document. There are numerous varied training activities ranging from technical training to that of soft skills, covering from linguistic to mandatory subjects.

To facilitate working continuity and manage the end of career paths relating to retirement or termination of employment, employees can take advantage of outplacement plans in Spain. Instead in Portugal, transition assistance programs are provided only if negotiated by the same employees during the definition of the employment termination plan; these programs are not available in Cyprus.

## 2.1.4 Termination

44 terminations were recorded in 2019, compared to 33 in 2018, divided between Spain (24) and Portugal (2).

The following tables report the data with a breakdown by gender and professional category.

No. of employees terminated		2019		2018	
		Women	Men	Women	Men
Spain	Top management	-	7	1	4
	Middle management	7	4	-	8
	Staff	10	12	4	8
Portugal	Top management	-	-	-	2
	Middle management	-	1	1	-
	Staff	-	-	3	2
Cyprus	Top management	-	-	-	-
	Middle management	-	-	-	-
	Staff	2	1	-	-
<b>Total</b>		<b>19</b>	<b>25</b>	<b>9</b>	<b>24</b>

No. of employees terminated		2019		2018	
		Women	Men	Women	Men
Spain	<=29	-	-	1	4
	30-50	14	7	-	8
	>=50	3	16	4	8
Portugal	<=29	-	-	-	-
	30-50	-	1	3	3
	>=50	-	-	1	1
Cyprus	<=29	-	-	-	-
	30-50	2	1	-	-
	>=50	-	-	-	-
<b>Total</b>		<b>19</b>	<b>25</b>	<b>9</b>	<b>24</b>

No. of employees terminated (no.)	2019	
	Women	Men
Gender		
Spain	17	23
Portugal	-	1
Cyprus	2	1

No. of employees terminated (no.)	2019		
	Top management	Middle management	Staff
Professional category			
Spain	7	11	22
Portugal	-	1	-
Cyprus	-	-	3

Employees terminated (no.)	2019		
	<=29 years	30-50	>=50
Age group			
Spain	-	21	19
Portugal	-	1	-
Cyprus	-	3	-

## 2.1.5 Remuneration

As regards remuneration, Altamira ensures equal treatment for all its employees. Consequently the differences in remuneration between men and women and between professional categories and age groups are attributable to the roles covered and the development of the market, and are not in any way attributable to gender or any other characteristic of the employees.

Average annual remuneration of employees (base salary + variable remuneration) (€)	2019		Wage differentiation
	Women	Men	
Spain	46,777	59,530	-21.4%
Portugal	31,794	42,633	-25.4%
Cyprus	22,750	28,828	-21.1%

The wage differentiation percentage is calculated as follows: (average annual women's remuneration - average annual men's remuneration)/ average annual men's remuneration

Average annual remuneration of employees (base salary + variable remuneration) (€)	2019		
	Top management	Middle management	Staff
Spain	115,817	59,295	39,549
Portugal	85,500	48,074	28,716
Cyprus	210,220	47,894	25,596

Average annual remuneration of employees (base salary + variable remuneration) (€)	2019		
	<=29 years	30-50	>=50
Spain	36,541	70,132	51,469
Portugal	33,250	36,844	32,969
Cyprus	21,207	33,000	41,828

Ratio base salary and women/men remuneration		2019	2018
		Base salary	Remuneration
Spain	Top Management	113%	111%
	Middle management	109%	108%
	Staff	117%	118%
Portugal	Top Management	118%	124%
	Middle Management	86%	88%
	Staff	80%	79%
Cyprus	Top Management	86%	81%
	Middle Management	89%	85%
	Staff	96%	95%

In Spain, the total annual remuneration of the highest paid person within the organisation in 2019 was 6.4 times higher than the total average annual remuneration of the workforce. In Portugal and Cyprus this rate is respectively 2.6 and 11.9.

Rate of total annual remuneration	2019	2018
Spain	6.4	6.9
Portugal	2.6	4.1
Cyprus	11.9	6.9

The rate between the total annual remuneration of the individual with the highest remuneration within the organisation in each country with significant operative headquarters and the median values of the total annual remuneration of all employees (with the exception of the individual with the highest salary) in the same country

Compared to 2018, the total annual remuneration of the highest paid person within the organisation in 2019 respectively increased by 2% and 49% in Spain and Cyprus, while in Portugal it decreased by 39%. The median value of the total annual remuneration of all employees (with the exception of the individual with the highest remuneration) from 2018 to 2019 increased by 10% in Spain and 4% in Portugal and decreased by 4% in Cyprus.

The information on the remuneration of directors for 2019 is presented in the annual consolidated financial statements of Altamira Asset Management Holdings, S.L.

As regards **pension plans**, some employees in Portugal (coming from the company Oitante) have a right to a pension fund with fixed contribution (this contribution partly comes from Altamira - and can vary from 4.5% to 1.5% depending on the seniority of the employee - and partly from the employee at 1.5%), a contribution which is eliminated upon the termination of the contract with the employee. The application of defined-benefit pension plans is not envisaged in Spain. The employees of the Cyprus subsidiary do not have a pension plan envisaged either. However, they have access to a “Provident Fund” in which they can contribute an amount ranging between 3% and 10% of their salary, and Altamira contributes to the pension fund for a total of 7% of the salary of each employee.

### 2.1.6 Collective bargaining and freedom of association

In Spain, Altamira applies existing legislation relating to freedom of association and collective bargaining for all its business activities, without exception. There are therefore no activities and suppliers for which workers’ rights to exercise the freedom of association and collective bargaining can be violated or are deemed to be at risk.

The collective agreement known as “Oficinas y despachos de Madrid” has been in force in Spain for four years. Upon its expiry, it will be reviewed by the trade unions and workers’ representatives.

In Portugal, the local law (Labour Code) provides workers with the right to create a workers’ committee within the company, to defend their interests and exercise the rights provided for in the Constitution and by law. Although there are no applicable collective agreements, some workers belong to trade unions: groups with which human resources organises periodic meetings.

In Cyprus, all the employees have the right to join trade unions. The association with trade unions is managed based on the Industrial Code of Labour Relations of the Ministry of Labour and Welfare and by social insurance.

### 2.1.7 Parental leave

Over 2019, 13 employees used parental leave<sup>10</sup>, of which 31% is accounted for by women.

Spain	2019			2018		
	Women	Men	Total	Women	Men	Total
Number of employees with the right to use parental leave	342	373	715	303	329	632
Number of employees who used parental leave	5	10	15	12	8	20
of which						
number of employees who returned to work during the reporting period after having used parental leave		10	15	12	8	20
number of employees still using parental leave on the indicated date	-	-	-	-	2	2
Total number of employees who returned to work after using parental leave and are still employees of the organisation in the 12 months following their return	3	9	12	8	6	14

<sup>10</sup>The number of employees that used parental leave during the year may not coincide with the number of employees who have returned to work during the same year, nor with the sum of the latter plus the number of employees still on leave at the end of the reporting period, because in some cases the leave may have started and ended in two different reporting years.

Portugal	2019			2018		
	Women	Men	Total	Women	Men	Total
Number of employees with the right to use parental leave	68	47	115	56	49	105
Number of employees who used parental leave	7	3	10	1	1	2
of which						
number of employees who returned to work during the reporting period after having used parental leave		3	10	1	1	2
number of employees still using parental leave on the indicated date	2	-	2	1	1	2
Total number of employees who returned to work after using parental leave and are still employees of the organisation in the 12 months following their return	1	-	1	-	-	-

Spain	2019			2018		
	Women	Men	Total	Women	Men	Total
Rate of return to work (%)	100	100	100	133	100	111
Retention rate (%)	25	113	60	N/A	N/A	N/A

Portugal	2019			2018		
	Women	Men	Total	Women	Men	Total
Rate of return to work (%)	100	100	100	100	100	100
Retention rate (%)	100	-	50	N/A	N/A	N/A

During 2019, as in the previous year, no employees used parental leave in Cyprus. However, it should be noted that in compliance with the requirements of Cyprus Employment Law, all employees with children under eight can use the leave. However, for both 2019 and for 2018, it is not possible to obtain information on their exact number for reasons of confidentiality.

## 2.1.8 Disconnection and protection of employees' personal data

Altamira is committed to improving the quality of life of its employees and, for this reason, disconnecting from work is facilitated through the search for appropriate measures, tools and IT solutions to support efficient working methods.

To respond to the requirements of the Organic Law 3/2018, **in the month of November 2019 Altamira Spain signed a digital disconnection policy, in agreement with the unions.** In particular, the Policy focuses on issues concerning the protection of personal data and on the guarantee of digital rights, ensuring disconnection outside working hours.

The Disconnection Policy envisages that at the end of the workday, employees have the right not to respond to communications, though they still may do so if they like. In addition, employees are asked to use technological tools rationally and guidelines are provided for the appropriate use of corporate email.

In the context of work-private life balance, Altamira engages in actions and initiatives such as:

- flexible work hours;
- harmonisation of paid leave stipulated in various collective-bargaining agreements in force in Spain, through the negotiation of the best conditions with the employees' legal representative;
- company canteen service, medical service and physiotherapy for employees of the Spanish company's headquarters;
- extension of paternity leave to five weeks in Spain;
- Wellness Company Plan in Spain and Cyprus, with initiatives for the physical, mental and working well-being of employees;
- Gympass Service to allow employees access to 1,900 sports centres in Spain;
- flexible remuneration plan: private health insurance, nursery, training and transport;
- discounts on banking products of Banco Santander, health clinics, sports centres and leisure and cultural activities.

In the coming years Altamira will develop and create further actions to promote the right to disconnection, well-being in the workplace and the work-private life balance.

## 2.1.9 Workplace health and safety

The protection of health and safety is a priority of Altamira, although the fact that **no workers or workplaces are involved in activities with a high incidence or risk of specific diseases** must be taken into consideration.

The protection of health and safety in Spain provides for the presence of a Health and Safety Committee composed of eight permanent members (four members of unions called "Delegados de Prevención" and four members of the organisation). The Committee represents all workers and the company's workplaces, meets every three months and, where necessary, also for extraordinary sessions. The preventive measures adopted and the decisions made by the Committee are communicated to employees through the intranet and corporate emails.

The Cyprus company has also created its own committee, as required by the Law P.I. 134/97, which meets quarterly. The legislation in Cyprus does not impose any obligation on the inclusion of employee representatives in the Committee, thus the Human Resources department speaks on their behalf. Human Resources cooperates with the Committee to resolve the issues raised by employees.

None of the Altamira companies have health and safety aspects covered in formal agreements with trade unions. However, a Prevent Plan was established in Spain in 2016 in accordance with the trade unions. It addresses topics such as preventive measures for epidemiological risk and the psychosocial evaluation of employees.

Three accidents were recorded in 2019 that resulted in days lost.

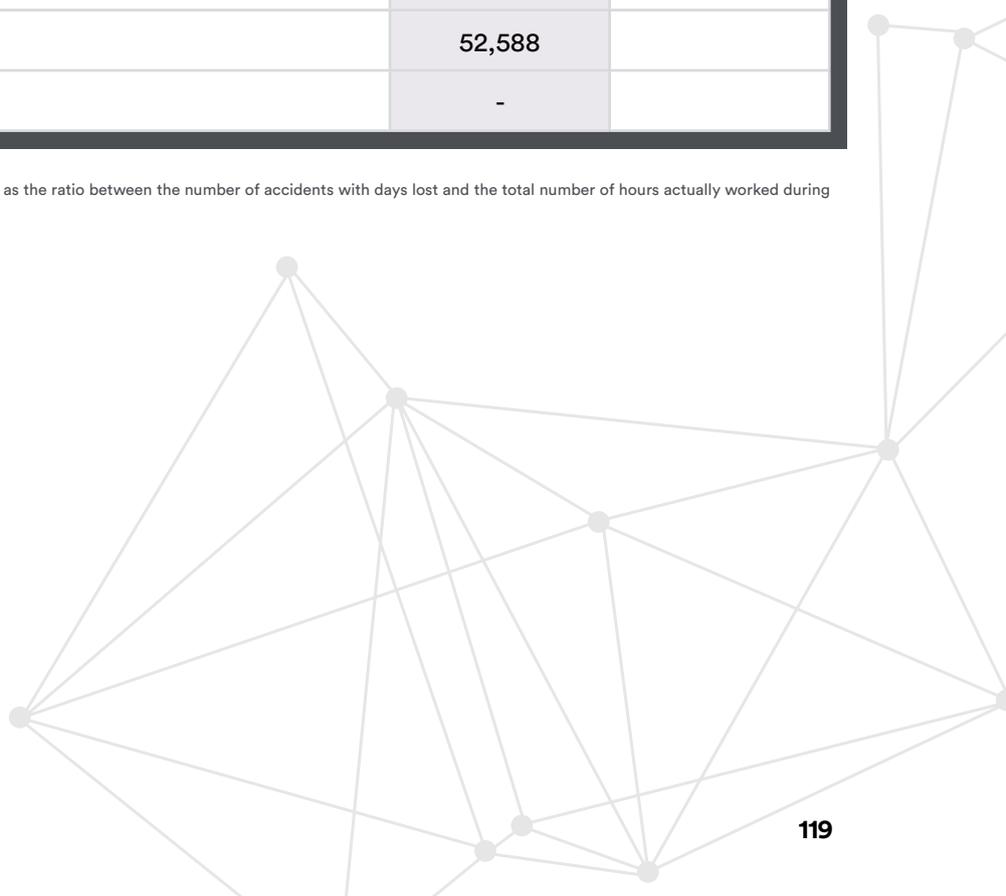
<b>Spain</b>	<b>2019</b>	<b>2018</b>
Number of accidents with days lost	2	3
Number of hours actually worked	1,127,774	1,044,000
Accident frequency index with days lost	1.77	0.96*

\*The rate was calculated considering only accidents occurring in the workplace (1).

<b>Portugal</b>	<b>2019</b>	<b>2018</b>
Number of accidents with days lost	1	-
Number of hours actually worked	243,399	
Accident frequency index with days lost	4.11	

<b>Cyprus</b>	<b>2019</b>	<b>2018</b>
Number of accidents with days lost	-	-
Number of hours actually worked	52,588	
Accident frequency index with days lost	-	

The accident frequency index with days lost is calculated as the ratio between the number of accidents with days lost and the total number of hours actually worked during the same period, multiplied by 1,000,000



# 3

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## Social issues and sustainable development

### 3.1 Support for associations and sponsorships

Altamira recognises the importance of active involvement to support the communities in which it operates. For this reason, **the organisation has signed agreements with foundations and associations, also to leverage employer branding with its employees.** In particular:

- Adecco Foundation, whose goal is to create a model that puts people at the centre and recognises dignity through work;
- Alares Foundation, focused on improving people's quality of life and promoting corporate and institutional competitiveness;
- Integra Foundation, which helps socially excluded and disabled people take control of their own lives through inclusion in the labour market;
- Carlos III University Foundation, dedicated to supporting people in economic difficulty with good academic performance by providing scholarships;
- MásHumano Foundation, which aims to guide the cultural transformation in companies and in society by emphasising the value of people so that they can reach their utmost personal, family and professional development;
- Asociación para la Racionalización de los Horarios Españoles, aimed at establishing rational working hours;
- Asociación Española de Ejecutivos y Consejeros, which provides a code of good practices for the management of talents and the improvement of competitiveness within the company;

- Asociación de Promotores Inmobiliarios de Madrid, which defends the interests of real estate professionals;
- Asociación de Promotores Constructores de España, which represents the interests of the development and construction sector;
- International Facility Management Association, an international organisation whose mission is to emphasise and promote the role of facility management;
- Instituto de Auditores Internos de España, which has the objective of improving and protecting the value of organisations that provide objective guarantees, consultancy and risk-based knowledge.

Altamira's commitment to the community is even more corroborated when considering that the nature of the company's business and the countries in which its operations are established do not bring any actual or potential risk of adverse impacts on the local communities. Therefore the company does not sense the need to perform impact assessments on the effects of its operations on the local community. For the same reason, Altamira does not make investments in infrastructure and does not finance services for the Community.

#### 3.1.1 Controlling contributions to foundations and non-profit organisations

In relation to Altamira's participation and involvement in the community through its support of the foundations and associations listed above, **various contributions were donated during 2019:**

- as regards the respect of exceptional measures contained in Article 42.1 of Spanish Royal Legislative Decree 1/2013 of 29 November, which approved the revised

law on the rights and the social inclusion of people with disabilities, funds were donated for:

- Adecco Foundation: €32,431.52;
- Integra Foundation: €19,362.10;
- Alares Foundation: €9,681.05;
- scholarships for students with limited economic resources and an excellent academic career:
  - Carlos III University Foundation: €3,000;
- donations and contributions to support work-private life balance:
  - MásHumano Foundation: €6,500;
  - Asociación para la Racionalización de los Horarios Españoles: €140;
- contributions to sector associations:
  - Asociación de Promotores Inmobiliarios de Madrid: €4,196;
  - Asociación de Promotores Constructores de España: €5,039.99;
  - International Facility Management Association: €423.50;
  - Instituto de Auditores Internos de España: €1,645,

Relations with associations and the business community in Portugal and Cyprus are mainly managed through the banks Oitante and Cyprus Cooperative Bank LTD.

## 3.2 Supplier evaluation

The activities carried out by the organisation's main suppliers (1,069 in 2019) include:

- sale and custody of goods by real estate agents with proven experience;
- analysis and design of transforming activities for operating and business models;
- management of accounting, tax and asset-to-asset activities for the SAREB portfolio (including budget, accounting for transactions, customers and suppliers, payment, collection and management of liquidity, taxes and charges, financial statements and management reports);
- management of documents and document archives;
- complete management of building maintenance.

Considering the financial nature of the operations conducted and contracted out to third parties and consid-

ring the countries in which it operates, Altamira sees no need to conduct formal evaluations of its suppliers in relation to labour practices and respect for human rights, nor does it conduct evaluations of the social and environmental impact of its supply chain, as it is not considered significant. Furthermore, the organisation's suppliers are not at risk of violating human rights and there are no operations which could endanger their freedom of association and collective bargaining.

However, it should be highlighted that the supplier selection and involvement process requires that suppliers sign a standard framework agreement which requests compliance with **ethical requirements that also include their social and environmental responsibility**. Furthermore, the provisions of the Altamira Code of Conduct shall apply to the supply chain as much as is possible.

## 3.3 Customer health and safety

Altamira considers the health and safety of customers a significant aspect, especially in relation to the processing of their personal data and the free circulation of such data.

**The organisation is fully compliant with the data protection legislation**, as evidenced by the clauses included in its contracts with suppliers and customers and the presence of a disclaimer on the Altamira website.

Given the nature and characteristics of its activities, Altamira does not perform further analyses of its impact on the health and safety of customers in relation to the services offered aside from the areas described above. As a result, there have been no cases of non-compliance in 2019 relating to impacts on the health and safety of customers.

For the same reasons, no procedures have been envisaged in the field of product and service information and labelling relating to the supply of components, the signalling of the presence of substances that can generate an environmental or social impact, the safe use of products and services and the correct methods to dispose of the same.

### 3.3.1 Customer Service

Altamira has a customer service department that is responsible for resolving any accidents and complaints notified by customers. The following requests were received in 2019:

Portfolio	Open	Deleted	Closed	WIP	Pending	Resolved	Total
No Portfolio assigned	163	3	949	73	11	21	1,220
Ánfora	139	53	821	33	40	1	1,087
Banco Santander	1,518	25	6,624	352	442	31	8,992
Sareb	1,369	723	28,188	743	332	55	31,410
Third Parties	299	22	1,370	184	19	9	1,903
<b>Total</b>	<b>3,488</b>	<b>826</b>	<b>37,952</b>	<b>1,385</b>	<b>844</b>	<b>117</b>	<b>44,612</b>

Six requests for compensation were received in Portugal from property purchasers, which were duly managed by the Compliance Department.

The only customer in Cyprus is Cyprus Cooperative Bank LTD, which did not submit a complaint in 2019.

## 3.4 Tax information

Country	2019			2018		
	Spain	Company income taxes	Government grants	Profits	Company income taxes	Government grants
Portugal	-41,575,190.95	-15,514,535.13	9,000.00	23,692,003.59	7,566,730.57	N/A
Cyprus	2,445,911.35	570,233.22	N/A	1,723,726.45	725,783.27	N/A
Cipro	17,229,619.39	2,347,088.48	N/A	13,264,834.60	1,963,886.00	N/A

# 4

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## Environment

### 4.1 Protection of the environment

Principle 15 of the Rio Declaration states that in order to protect the environment, the precautionary approach shall be widely applied by States according to their capabilities. Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation.

This principle is also applicable to the commercial sector, in so far as the relative activities may result in severe losses at an economic, social and environmental level if the preventive measures necessary to mitigate the economic, social and environmental risks are not taken into account in the development phase of a product or service.

**The principle is of particular importance for Altamira in the life cycle phases of its managed real estate which imply the involvement of suppliers.** To mitigate the risk of losses at an economic, social and environmental level, the organisation establishes contractual terms and requirements with suppliers to ensure sustainable development and to minimise environmental impact.

Interested suppliers are thus called on to develop a maintenance plan tailored specifically for each asset and its structures. The suppliers also see to carrying out preventive maintenance on the properties, by conducting a risk analysis. If anything is detected, the suppliers proceed to perform corrective maintenance to put appropriate measures or adaptations in place to mitigate the identified risks.

In particular, the custom maintenance plan provides for the analysis and management of risks to people and third parties, the preservation of the value of the activity and the verification of the assets' compliance with the applicable regulations, and in particular any whose non-compliance could incur penalties, and its preparation always starts with an inspection.

The custom maintenance plans are designed and delivered together with an economic evaluation of any corrective actions necessary to make the building habitable or in the appropriate conditions for use or sale.

At least once a year, inspections are carried out to verify the state of the buildings based on that which is outlined in the maintenance plan.

The activities and risks outlined above are only related to the Spanish company, since those of Portugal and Cyprus deal with the recovery of debts relating to real estate and its marketing by third parties, activities that do not have relevant risks from an environmental point of view.

In addition to the activities described above, the organisation does not carry out any further evaluations of the financial implications and other risks and opportunities related to climate change, as these aspects do not apply to its business.

## 4.2 Sustainable use of resources<sup>11</sup>

### 4.2.1 Use of materials

Altamira undertakes to mitigate and eliminate its environment impact as much as possible, and maximise the life cycle of the materials and energy resources used.

The organisation uses limited quantities of materials, exclusively used for office activities. As in 2018, 100% of the materials used in 2019 (paper and computer materials) originated from recycled materials.

Moreover, since Altamira does not produce goods but provides services, it does not manufacture products that could give rise to recovery or regeneration, and does not use packaging materials.

### 4.4.2. Water consumption

**The Spanish company undertakes to consume water resources as responsibly as possible; this consumption only takes place in its offices.** Consequently, the organisation's business does not involve material risks in relation to water consumption, nor does it significantly impact any water source.

In the course of 2019, its consumption amounted to 1,567.62 litres of water purchased from the mains. Altamira does not withdraw water, nor does it use recycled or reused water. Furthermore, the organisation's operations do not have an impact on water basins and their habitats, and its wastewater is not considered material.

The **water** consumption was estimated starting from the average price per m<sup>3</sup> for the region of Madrid (€ 2.07 per m<sup>3</sup> for 2019) and only includes the offices for which the line item of water consumption is available: all Altamira Spain offices are in fact leased, and in many cases the water consumption is included within the monthly fee that Altamira pays the owners of the buildings.

As Altamira does not own the buildings in which its offices are located in Spain, it has no direct control of the initiatives and actions implemented to rationalise the use of water resources. However, it should be noted that in Altamira's headquarters, an agreement has been reached with the building owners to streamline and minimise water consumption through initiatives relating to the washrooms.

### 4.4.3 Energy consumption and emissions

**In the context of energy consumption and GHG emissions, the Spanish company is focused on the optimisation and reduction of consumption and its relative pollution.**

Considering the characteristics of Altamira's business, no specific measures were implemented in 2019 to reduce energy consumption nor to decrease the energy requirements of the products and services offered.

In addition to the initiatives already reported, in relation to employees' sustainable mobility, it should be noted that Altamira has provided a shuttle service in Spain for employees working at the Group's headquarters in Madrid-Las Rosas, which connects the offices with the train station. During 2019 the fuel consumption of the shuttle amounted to 308 GJ, in line with the 306 of 2018. The GHG emissions arising from the shuttle in 2019 were approximately 17 tCO<sub>2</sub>e.

Other relevant Scope 3 emissions are those related to the business trips of employees by train and by plane. In particular, in 2019 over 450,000 km were travelled by plane and about 186,000 km by train. The data relating to the distance travelled are supplied directly by the travel agency used by the company to organise its business travel.

<sup>11</sup> All the environmental data inserted in this section relate only to Altamira Spain. As far as the Altamira companies in Portugal and Cyprus are concerned, the environmental impacts are not considered significant due to the characteristics of the services provided, which envisage very limited environmental impacts.

<b>Emissions</b>	<b>UoM</b>	<b>2019</b>	<b>2018</b>
<b>Other emissions (Scope 3)</b>			
Indirect emissions related to business travel (train and plane)	tCO <sub>2</sub> e	89.86	69.57
<b>GHG tCO<sub>2</sub>e emissions / average no. employees</b>			
Direct emissions related to business travel	tCO <sub>2</sub> e/ average no. employees	0.13	0.12

The average number of employees of the Spanish company in 2019 amounted to 687.5.

<b>Conversion factors</b>	<b>UoM</b>	<b>2019</b>	<b>2018</b>
Natural Gas Emission Factor - Source: DEFRA 2019	kgCO <sub>2</sub> e/km	0.18078 (plane)	0.18078 (plane)
		0.04115 (train)	0.04115 (train)
Ecologic Transformation Ministry of Spain	kgCO <sub>2</sub> /l	2.065 (petrol)	2.065 (petrol)

Considering the company's characteristics and business and the instruments available to date, in 2019 there were no emissions of substances that can harm the ozone or other polluting substances.

#### 4.4.4 Noise and light pollution

Lastly, again in relation to the type of activities carried out by Altamira, the company has not established specific measures for the prevention, reduction or mitigation of noise and light pollution, since these topics are not relevant for the company.

## 4.3 Protection of biodiversity

Altamira does not manage real estate that could have any impacting risk on biodiversity. However, within the framework of its commitment to the environment, the company adopts the necessary measures for the maintenance and conservation of goods and collaborates with administrative and environmental authorities to resolve any potential risk situations, conflicts or judicial processes it inherits from previous owners.

Since the activity in Portugal and Cyprus is focused on the recovery of debts relating to real estate and on its marketing by third parties, biodiversity is not a relevant issue.

# 5

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## Respect for human rights

Altamira has a set of policies, procedures and protocols in place with the objective of protecting human rights (Code of Conduct, Equal Opportunity Plan, Commitment of the Equality Committee, Protocol for prevention in the workplace and workplace harassment). **As is clear in the Code of Conduct, respect for the dignity of the person and his/her fundamental rights are indispensable elements in the conduct of the group's business.**

It is important to highlight that the countries in which the organisation conducts its activities are not at risk for failure to respect human rights, since the countries are subject to the relative laws and regulations in force at both national and international level. Consequently, Altamira has not identified risks of a violation of human rights, nor operations and suppliers at a significant risk of episodes of exploitation of child labour and forced or compulsory labour. In addition, Spain, Portugal and Cyprus incorporate the following ILO conventions in their labour legislation:

- Forced Labour Convention, 1930;
- Freedom of Association and Protection of the Right to Organize Convention, 1948;
- Right to Organize and Collective Bargaining Convention, 1949;
- Equal Remuneration Convention, 1951;

- Abolition of Forced Labour Convention, 1957;
- Discrimination (Employment and Occupation) Convention, 1958;
- Minimum Age Convention, 1973;
- Worst Forms of Child Labor Convention, 1999.

For this reason, Altamira does not feel the need to submit its activities to checks relating to respect for human rights or impact assessments, nor the need to include human rights clauses in its contracts, without prejudice to that which is already enshrined in the Code of Conduct.

In 2019 Altamira Spain provided a total of 787 hours of training on human rights policies and procedures involving 97% of personnel. No training activities were carried out in Portugal and Cyprus.

No episodes of violation of the rights of indigenous peoples were detected in 2019.

Lastly, no human rights training for security personnel was provided in 2019, since this category of workers is not present within the organisation.

# Additional table of contents beyond those of the Group, required by Spanish Law 11/2018, and correspondence with GRI disclosures

Information required by Spanish Law 11/2018 on non-financial information and diversity	Correspondence with GRI Disclosures	Indicators required by Spanish Law 11/2018	Paragraph containing the non-financial information	Page or notes	Exclusions of scope
<b>BUSINESS MODEL</b>					
Brief description of the group's business model, including business environment, structure and organisation, the markets in which it operates, objectives and strategies and the main factors and trends that can affect its future evolution	GRI 102-2 Activities, brands, products and services (2016) GRI 102-3 Location of headquarters (2016) GRI 102-4 Location of operations (2016) GRI 102-6 Markets served (2016) GRI 102-7 Scale of the organisation (2016)		Pages 106-107		
<b>SOCIAL ISSUES AND THOSE RELATED TO PERSONNEL</b>					
<b>Employment</b>					
Average annual number of full-time, fixed-term, and part-time contracts by gender, age and professional category		Average annual number of full-time, fixed-term, and part-time contracts by gender, age and professional category	Pages 109-110		
Average remuneration and its evolution by gender, age and professional category	GRI 405-2 Ratio of basic salary and remuneration of women to men (2016) GRI 102-38 Annual total compensation ratio (2016) GRI 102-39 Percentage increase in annual total compensation ratio (2016)		Pages 114-115		
Wage differentiation, remuneration with equal level or organisation average		Wage differentiation Average annual remuneration of employees (base salary + variable remuneration)	Page 114		

Information required by Spanish Law 11/2018 on non-financial information and diversity	Correspondence with GRI Disclosures	Indicators required by Spanish Law 11/2018	Paragraph containing the non-financial information	Page or notes	Exclusions of scope
<b>Employment</b>					
Average remuneration for directors and executives, including the variable remuneration, allowances and social security contributions in the long term and any other remuneration received, divided by gender	GRI 201-3 Defined benefit plan obligations and other retirement plans (2016)	Average remuneration for directors and executives	Pages 114-115		
Working disconnection policies	GRI 103-2 The management approach and its components (2016)		Page 118		
Number of terminations by gender, age and professional category		Number of terminations by gender, age and professional category	Pages 112-113		
Employees with disabilities	GRI 103-2 The management approach and its components (2016)	Number of employees with disabilities	Page 111		
<b>Work organisation</b>					
Work hours organisation		Measures for encouraging disconnection	Page 118		
Measures to facilitate reconciliation and encourage co-parenting	GRI 401-3 Parental leave (2016)		Pages 116-117		
<b>Health and safety</b>					
Workplace health and safety conditions	GRI 403-3 Workers with high incidence or high risk of diseases related to their occupation (2016)		Pages 118-119		
Number, frequency and severity of accidents at work and occupational diseases by gender		Number and frequency of accidents with days lost by gender	Page 119		
<b>Social relations</b>					
Organisation of social dialogue, including proceedings to inform and consult personnel and negotiate with workers	GRI 407-1 Freedom of association and collective bargaining (2016) GRI 403-1 Workers representation in health and safety committees (2016)		Pages 116-118		
Balance of collective agreements, with particular reference to the issue of workplace health and safety	GRI 403-1 Workers representation in health and safety committees (2016) GRI 403-4 Health and safety topics covered in formal agreements with trade unions (2016)		Page 118		

Information required by Spanish Law 11/2018 on non-financial information and diversity	Correspondence with GRI Disclosures	Indicators required by Spanish Law 11/2018	Paragraph containing the non-financial information	Page or notes	Exclusions of scope
<b>Training</b>					
Policies implemented in the field of training	GRI 404-2 Programs for upgrading employee skills and transition assistance programs (2016)		Page 111		
<b>Equal opportunities</b>					
Universal accessibility for people with disabilities	GRI 103-2 The management approach and its components (2016)		Page 111		
Measures taken to promote employment	GRI 404-2 Programs for upgrading employee skills and transition assistance programs (2016)		Page 111		
Measures adopted for the integration and universal accessibility of people with disabilities	GRI 103-2 The management approach and its components (2016)		Page 111		
<b>PREVENTION OF CORRUPTION</b>					
Controlling contributions to foundations and non-profit organisations	GRI 102-13 Membership of associations (2016)		Pages 120-121		
<b>SOCIETY AND SUSTAINABLE DEVELOPMENT</b>					
<b>Company commitment to sustainable development</b>					
Impact of the company's activities on local employment and development	GRI 203-1 Infrastructure investments and services supported (2016) GRI 203-2 Significant indirect economic impacts (2016) GRI 413-1 Operations with local community engagement, impact assessments, and development programs (2016) GRI 413-2 Operations with significant actual and potential negative impacts on local communities (2016)		Pages 120-121		
Impact of company activities on local populations and the territory	GRI 203-1 Infrastructure investments and services supported (2016) GRI 203-2 Significant indirect economic impacts (2016) GRI 413-1 Operations with local community engagement, impact assessments, and development programs (2016) GRI 413-2 Operations with significant actual and potential negative impacts on local communities (2016)		Pagg. 120-121		

Information required by Spanish Law 11/2018 on non-financial information and diversity	Correspondence with GRI Disclosures	Indicators required by Spanish Law 11/2018	Paragraph containing the non-financial information	Page or notes	Exclusions of scope
<b>Company commitment to sustainable development</b>					
Association and sponsorship actions	GRI 102-13 Membership of associations (2016) GRI 102-12 External Initiatives (2016)		Pages 120-121		
<b>Sub-suppliers and suppliers</b>					
Inclusion in supply policies of social issues, equal opportunities, gender and environmental aspects	GRI 103-2 The management approach and its components (2016)		Page 121		
Consideration of social and environmental responsibility in relations with suppliers and sub-suppliers	GRI 308-2 Negative environmental impacts in the supply chain and actions taken (2016) GRI 414-2 Negative social impacts in the supply chain and actions taken (2016)		Page 121		
The supervisory and audit system and related results	GRI 103-2 The management approach and its components (2016) GRI 308-2 Negative environmental impacts in the supply chain and actions taken (2016) GRI 414-2 Negative social impacts in the supply chain and actions taken (2016)		Page 121		
<b>Consumers</b>					
Measures for the health and safety of consumers	GRI 416-1 Assessment of the health and safety impacts of product and service categories (2016) and on the safety of products and services GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services (2016) GRI 417-1 Requirements for product and service information and labelling (2016)		Page 121		
Complaints, complaints received and resolutions management system	GRI 103-2 The management approach and its components (2016)		Pages 121-122		
<b>Tax information</b>					
Public subsidies received	GRI 201-4 Financial assistance received from government (2016)		Page 122		c)

Information required by Spanish Law 11/2018 on non-financial information and diversity	Correspondence with GRI Disclosures	Indicators required by Spanish Law 11/2018	Paragraph containing the non-financial information	Page or notes	Exclusions of scope
<b>ENVIRONMENT</b>					
Description of the policies applied	GRI 103-2 The management approach and its components (2016)		Page 123		Proteus Asset Management Unipessoal LDA, Altamira Asset Management (Cyprus) LTD
Main risks	GRI 102-15 Key impacts, risks and opportunities (2016) GRI 102-11 Precautionary Principle (2016)		Page 123		
<b>Environmental management</b>					
Method of assessment or environmental certification		Method of assessment or environmental certification	Page 123		Proteus Asset Management Unipessoal LDA, Altamira Asset Management (Cyprus) LTD
Resources devoted to the prevention of environmental risks	GRI 201-2 Financial implications and other risks and opportunities due to climate change (2016)		Page 123		
Application of the precautionary principle, amount of provisions as guarantee of environmental risks	GRI 102-11 Precautionary Principle (2016)		Page 123		
<b>Circular economy, waste prevention and management</b>					
Measures of prevention, recycling, reuse and other forms of waste recovery and disposal	GRI 301-2 Recycled input materials used (2016) GRI 301-3 Reclaimed products and their packaging materials (2016)		Page 124		Proteus Asset Management Unipessoal LDA, Altamira Asset Management (Cyprus) LTD
Actions to combat food waste			Not applicable		
<b>Sustainable use of resources</b>					
Consumption of water and water supply in compliance with the local restrictions	GRI 303-1 Water withdrawal by source (2016) GRI 303-2 Water sources significantly affected by withdrawal of water (2016) GRI 303-3 Water recycled and reused (2016) GRI 306-1 Water discharge by quality and destination (2016) GRI 306-5 Water bodies affected by water discharges and/or runoff (2016)		Page 124		Proteus Asset Management Unipessoal LDA, Altamira Asset Management (Cyprus) LTD

Information required by Spanish Law 11/2018 on non-financial information and diversity	Correspondence with GRI Disclosures	Indicators required by Spanish Law 11/2018	Paragraph containing the non-financial information	Page or notes	Exclusions of scope
<b>Sustainable use of resources</b>					
Energy: direct and indirect consumption, measures taken to improve energy efficiency, use of renewable energy sources	GRI 103-2 The management approach and its components (2016) consumed within the organisation (2016) GRI 302-2 Energy consumption outside of the organisation (2016)	Measures taken to improve energy efficiency	Pages 124-125		Proteus Asset Management Unipessoal LDA, Altamira Asset Management (Cyprus) LTD
<b>Climate change</b>					
Greenhouse gas emissions	GRI 305-3 Other indirect (Scope 3) GHG emissions (2016) GRI 305-4 GHG emissions intensity (2016) GRI 305-6 Reduction of GHG emissions (2016) GRI 305-7 Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions (2016)		Pages 124-125		Proteus Asset Management Unipessoal LDA, Altamira Asset Management (Cyprus) LTD
Measures adopted for the adaptation to climate change, including those to counter noise and light pollution	GRI 103-2 The management approach and its components (2016) GRI 102-15 Key impacts, risks and opportunities (2016) GRI 305-6 Reduction of GHG emissions (2016) GRI 305-7 Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions (2016)	Measures and initiatives adopted for the reduction of GHG emissions	Page 125		
Reduction objectives established on a voluntary basis in the medium and long term to reduce greenhouse gas emissions and measures taken to this end		Voluntary objectives for the reduction of GHG emissions	Page 125		Proteus Asset Management Unipessoal LDA, Altamira Asset Management (Cyprus) LTD
<b>Protection of biodiversity</b>					
Measures taken to preserve or restore biodiversity	GRI 103-2 The management approach and its components (2016)		Page 125		Proteus Asset Management Unipessoal LDA, Altamira Asset Management (Cyprus) LTD
Impacts caused by activities or operations in protected areas	GRI 304-2 Significant impacts of activities, products and services on biodiversity (2016) GRI 304-3 Habitats protected or restored (2016)		Page 125		Proteus Asset Management Unipessoal LDA, Altamira Asset Management (Cyprus) LTD

Information required by Spanish Law 11/2018 on non-financial information and diversity	Correspondence with GRI Disclosures	Indicators required by Spanish Law 11/2018	Paragraph containing the non-financial information	Page or notes	Exclusions of scope
<b>HUMAN RIGHTS</b>					
Description of the policies applied	GRI 410-1 Security personnel trained in human rights policies or procedures (2016)			Page 126	
Application of due diligence procedures in respect for human rights	GRI 103-2 The management approach and its components (2016)			Page 126	
Prevention of risks for violating human rights and any measures to mitigate, manage and resolve possible abuses committed	GRI 412-1 Operations that have been subject to human rights review or impact assessments (2016) GRI 410-1 Security personnel trained in human rights policies or procedures (2016) GRI 412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening (2016)			Page 126	
Complaints for cases of violation of human rights	GRI 103-2 The management approach and its components (2016) GRI 102-17 Mechanisms for advice and concerns about ethics (2016) GRI 411-1 Incidents of violations involving rights of indigenous peoples (2016) GRI 419-1 Non-compliance with laws and regulations in the social and economic area (2016)			Page 126	
The promotion and application of the provisions of the basic conventions of the International Labour Organisation in relation to the respect of the freedom of association and the right to collective bargaining	GRI 103-2 The management approach and its components (2016)			Page 126	
Elimination of forced labour	GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour (2016)			Pages 121-126	
Abolition of child labour	GRI 408-1 Operations and suppliers at significant risk for incidents of child labour (2016)			Pages 121-126	





# **REPORT OF THE INDEPENDENT AUDIT FIRM**

## Independent auditors' report on the consolidated disclosure of non-financial information in accordance with Article 3, par. 10, of Legislative Decree 254/2016 and with Article 5 of CONSOB Regulation adopted with Resolution n. 20267 of January 2018 (Translation from the original Italian text)

To the Board of Directors of  
doValue S.p.A.

We have been appointed to perform a limited assurance engagement pursuant to Article 3, paragraph 10, of Legislative Decree 30 December 2016, n. 254 (hereinafter "Decree") and article 5 of CONSOB Regulation adopted with Resolution 20267/2018, on the consolidated disclosure of non-financial information of doValue S.p.A. (hereinafter the "Company") and its subsidiaries (hereinafter the "Group") for the year ended on the 31<sup>st</sup> of December 2019 in accordance with article 4 of the Decree and approved by the Board of Directors on the 20<sup>th</sup> of March 2020 (hereinafter "DNF").

### Responsibilities of Directors and Board of Statutory Auditors for the DNF

The Directors are responsible for the preparation of the DNF in accordance with the requirements of articles 3 and 4 of the Decree and the "Global Reporting Initiative Sustainability Reporting Standards", identified by them as a reporting standard, with reference to selected GRI Standards.

The Directors are also responsible, within the terms provided by law, for that part of internal control that they consider necessary in order to allow the preparation of the DNF that is free from material misstatements caused by fraud or not intentional behaviors or events.

The Directors are also responsible for identifying the contents of the DNF within the matters mentioned in article 3, par. 1, of the Decree, considering the business and the characteristics of the Group and to the extent deemed necessary to ensure the understanding of the Group's business, its performance, its results and its impact.

The Directors are also responsible for defining the Group's management and organization business model, as well as with reference to the matters identified and reported in the DNF, for the policies applied by the Group and for identifying and managing the risks generated or incurred by the Group.

The Board of Statutory Auditors is responsible, within the terms provided by the law, for overseeing the compliance with the requirements of the Decree.

### Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior. Our audit firm applies the International Standard on Quality Control 1 (ISQC Italia 1) and, as a result, maintains a quality control system that includes documented policies and

procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

### **Auditors' responsibility**

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the DNF with the requirements of the Decree and of the GRI Standards, with reference to selected GRI Standards. Our work has been performed in accordance with the principle of "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This principle requires the planning and execution of work in order to obtain a limited assurance that the DNF is free from material misstatements. Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the ISAE 3000 Revised ("reasonable assurance engagement") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

The procedures performed on the DNF were based on our professional judgment and included inquiries, primarily with company's personnel responsible for the preparation of the information included in the DNF, documents analysis, recalculations and other procedures in order to obtain evidences considered appropriate.

In particular, we have performed the following procedures:

1. analysis of the relevant topics in relation to the activities and characteristics of the Group reported in the DNF, in order to assess the reasonableness of the selection process applied in accordance with the provisions of article 3 of the Decree and considering the reporting standard applied;
2. analysis and evaluation of the criteria for identifying the consolidation area, in order to evaluate its compliance with the provisions of the Decree;
3. comparison of the economic and financial data and information included in the DNF with those included in the Group's consolidated financial statements;
4. understanding of the following aspects:
  - o Group's management and organization business model, with reference to the management of the topics indicated in article 3 of the Decree;
  - o policies adopted by the Group related to the matters indicated in art. 3 Decree, results achieved and related key performance indicators;
  - o main risks, generated or suffered related to the matters indicated in the article 3 of the Decree.

With regard to these aspects, we obtained the documentation supporting the information contained in the DNF and performed the procedures described in item 5. a) below.

5. understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the DNF.

In particular, we have conducted interviews and discussions with the management of doValue S.p.A. and with the personnel of doValue S.p.A. and Altamira Asset Management S.A. and we have performed limited documentary evidence procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and transmission of non-financial data and information to the management responsible for the preparation of the DNF.

Furthermore, at group level, for significant information, considering the Group activities and characteristics:

- at Group level:
  - a) with reference to the qualitative information included in the DNF, and in particular to the business model, policies implemented and main risks, we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
  - b) with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.

We have selected doValue S.p.A. and Altamira Asset Management S.A. based on its activity, relevance to the consolidated performance indicators and location; we have carried out site visits during which we have had discussions with management and have obtained evidence about the appropriate application of the procedures and the calculation methods used to determine the indicators.

## Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that DNF of doValue S.p.A. Group for the year ended on the 31<sup>st</sup> of December 2019 has not been prepared, in all material aspects, in accordance with the requirements of articles 3 and 4 the Decree and the GRI Standards, with reference to selected GRI Standards.

Verona, April 14<sup>th</sup> 2020

EY S.p.A.  
Marco Bozzola  
(Auditor)

*This report has been translated into the English language solely for the convenience of international readers.*



**doValue**