



# REMUNERATION POLICY OF BANCA DEL SEMPIONE SA

FOR COLLABORATORS WORKING IN SWITZERLAND

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### 1. INTRODUCTION

In accordance with our Administration and Management Regulations (AMR), the Board of Directors of Banca del Sempione SA is responsible for approving the remuneration policy.

### 2. GENERAL PRINCIPLES

The Bank establishes the remuneration for company management and all employees, basing its decisions on ethical, transparent, and merit-based criteria, in accordance with the regulations in force at that particular time and the guidelines provided on this matter by the relevant authorities.

Consequently, the remuneration policies adopted aim to ensure a balanced compensation structure with regard to its various components, clearly defined and consistent with the Bank's prudent management style, it being understood that adequate remuneration and incentive mechanisms should motivate individuals with the appropriate professionalism and experience to remain within the company, while simultaneously creating the conditions to attract new resources, as part of the company's primary interest.

The Bank also monitors the implementation of remuneration policies for activities of the companies of the Group. Particular attention is given to the regulatory evolution of the European Union and to the application of the principle of sustainability in terms of remuneration and evaluation of the performance of its staff.

The remuneration and incentive system of the Bank and of the companies part of the Group is based on the following principles:

- to promote respect of the law and discourage any violation;
- to avoid or at least minimize sustainability risks. More precisely, ensuring that an environmental, social or governance event or condition can cause a significant negative impact on the asset value;
- to ensure consistency with the Bank's objectives, corporate culture and the overall structure of corporate governance and internal controls;
- to take into due consideration the risk containment policies, as well as the capitalisation and liquidity levels;
- to avoid creating conflict of interest situations with own current tasks;
- for control functions, the bonus granting mechanism is not related to the revenues generated by the Bank;
- to attract, maintain and motivate human resources in an amount and at a professional level suitable to the company's requirements;
- to stimulate an optimal level of employee productivity;
- to ensure high quality of the work carried out;
- to recognise the value of each task with respect to the others;
- to enable employees to partake in the company's growth and prosperity.

With particular regard to executives and to operations management, additional specific requirements at the basis of the remuneration criteria are highlighted:

- responsibility, given the nature of the mandate and the role, acting and making decisions knowledgably and in full autonomy, pursuing consistent results over time;
- willingness, upon accepting the position, to dedicate the required amount of time to diligently carrying out one's task, taking into consideration any other roles held in other Group companies as well;



- high level of expertise and professional qualification, also in accordance with the professional requirements envisaged by the regulations in force.

### 3. REMUNERATION/INCENTIVE SYSTEM OF BANCA DEL SEMPIONE SA

The Bank envisages a remuneration system based on a fixed compensation amount, payable monthly, for all of its collaborators, including the Chairman of the General Management and Deputy General Managers.

Upon proposal by the General Management, the Board of Directors may resolve the granting of individual bonuses that take into account performance of the Bank's business and the performance level, in terms of quality and quantity, of each individual collaborator.

As far as the Bank is concerned, this variable remuneration mechanism takes into account quantitative and qualitative principles expressly indicated in a separate document defined and approved by the Board of Directors.

Also upon proposal by the General Management, the Board of Directors may resolve to make revisions to the fixed remuneration on an annual basis.

Mandatory application of the mechanisms defined in the collective labour agreements, also with regard to family allowances and other benefits, is envisaged for all collaborators of Banca del Sempione SA.

The Bank's Human Resources office is responsible for paying all amounts due, along with the salaries of personnel and members of the Board of Directors.

Details on the remuneration envisaged for the individual categories of employees and Directors are provided below.

#### **Directors**

Members of the Board of Directors receive an annual remuneration (i.e. emolument) established by the Shareholders' Meeting of Banca del Sempione SA, as well as reimbursement for a reasonable amount of expenses sustained as a result of their office.

Lastly, no remuneration tied to individual or company results are envisaged for directors.

#### **Chairman of the General Management, Deputy General Manager, Managers, Joint-Managers, Branch Managers and Internal Auditors and members of the General Management**

The economic treatment recognised for these positions is established by the Board of Directors, which is responsible for appointing them. This remuneration amount is determined so as to attract and maintain within the company individuals with the appropriate level of professionalism and skills required by the company, in accordance with the regulations in force and taking into consideration the labour market situation for similar positions.

Salaries are fixed and determined on an annual basis. Other items that are constant over time and envisaged by the collective labour agreements and/or other Regulations in effect within the company are added to the salary.

Recognition of a bonus is entirely at the discretion of the Board of Directors, based on an overall assessment of the work carried out during the year and the principles outlined above. In the event of termination of the employment agreement, no bonus is recognised for the year underway.



**Bank personnel**

The remuneration of Bank personnel takes into account the general principles outlined in this document. Salaries are determined on an annual basis, paid in thirteen instalments, of which 12 monthly and the 13th paid in two halves - one in June and one in November. From the position of Deputy Manager and above, salaries are paid in twelve monthly instalments.

For personnel who begin or end their employment during the year, the thirteenth installment is paid on a pro-rata basis.

The Bank publishes this document on its website in compliance with the disclosure and transparency obligations required by current regulations.

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