

CRITERIA AND METHODS FOR THE RECRUITMENT OF PERSONNEL WITHIN GME S.p.A.

The process of recruitment applied by Gestore dei Mercati Energetici S.p.A. takes place in compliance with the regulations that the company applies and in accordance with the principles in the code of ethics.

"The recruitment, training, management and development of staff are carried out without any discrimination, based on merit, competence and professionalism" (Art. 5, Code of Ethics).

"Like all the business processes, the recruitment acts with impartiality, rigor and transparency" (Art. 7, Code of Ethics).

In compliance with the provisions specifically addressed to the companies owned by the State as set forth in Law of 6 August 2012, no. 133 (conversion of Legislative Decree of 25 June 2008, no. 112) on "Selecting the staff of the public companies", GME S.p.A. guarantees candidates criteria and procedures for selection and evaluation of resources that meet the principles, derived from Community, of transparency, impartiality and publicity.

To do this, all stages of the process are described in a detailed and structured manner with respect to: profile sought, beings involved, methods of selection and recruitment, assessment tools used, results of selection, communication with candidates and verbalization.

In accordance with the rules laid down by the Law of 6 November 2012, no. 190 on prevention and combating of corruption and illegality in public administration in conjunction with Legislative Decree of 8 April 8, 2013, no. 39 concerning the non-assignment and incompatibility of positions at the public administrations and private entities under public control, at the beginning of each selection process, candidates involved¹ is asked to complete a self-certification to attest the presence or absence of situations, required by law, that could create a conflict of interest or prevent the inclusion in the workforce.

1. Defining the profile sought

The selection begins with the detection of organizational needs and the subsequent definition of the professional profile of the ideal candidate for a specific position that the company wants to cover. The professional profile describes the key characteristics required in terms of specialized technical knowledge, past experience gained, skills and expertise to effectively cover the role required. The Coordinator of the Staff, in collaboration with the Head of the Requiring Directorate and with the help of the Coordinator of Selection, defines the professional profile sought. In this context, the minimum and preferential requirements of the desired profile are defined and the activities, objectives and role pertaining the position within the company are identified. Subsequently, the Coordinator of Selection shall organize the selection procedure, supervised and endorsed by the Coordinator of the Staff.

2. Methods of recruitment

The professional profile, so constructed, is published in the "*Work with us*" section on the website of the company, in order to ensure the publicity of the search. In particular in the advert, in addition to the professional profile sought, the related positions to be held, the number of resources required for each position and any further specific information dictated by the type of contract or the application of regulatory provisions will be indicated.

The notice publication has duration of not less than 14 days.

¹ "Candidates involved" shall mean the candidates who meet the minimum requirements, required by the published professional profile, and invited to the selection.

The main recruitment channel is represented, therefore, from the company website. GME S.p.A. has implemented a *cloud/based* platform through which it can publish the professional profiles sought, capture data of the candidates, *screen* the applications received and manage each candidate at all stages of the selection process. Through this platform, the candidate can create his/her/its own profile and access it through a user name and password, edit, delete and update his/her/its application on the basis of the profiles published.

Even in the absence of active selections, on the website beings can always fill out the form related to "*Unsolicited application*", "*Internships*", "*Protected categories*", namely the so-called *permanent* profiles.

At the time of the search to cover a particular position, it is carried out a screening within the *permanent* profiles to identify candidates with the minimum requirements sought and potentially interested in the position. These will be sent an email to inform them of the posting of a profile on the website of GME, with the proposal to apply based on a specific announcement in the case of interest in the position.

The aforementioned recruitment channel can combine, where after the screening there are no candidates in line with the profiles sought, the request for lists of names to schools or universities.

3. Beings involved

For each selection process, the President and CEO of the Company appoints a Committee whose task is to ensure uniformity of treatment for all candidates and to ensure that the requirements of objectivity and impartiality in the evaluation criteria for the duration of the search are met.

The Committee is normally composed of three members:

- The Head of the Requiring Directorate or its contact person identified by this, with the aim to evaluate the technical and specialist skills of each candidate;
- The Coordinator of Selection belonging to the Human Resources and General Services Departments of GSE, which aims to analyze and evaluate the motivational sphere and behavior;
- The Manager of a third Directorate or a contact person identified from this as a further guarantee of the transparency and fairness of the process.

In relation to particular job profiles, whose activities require close collaboration with Senior Management, it is expected the involvement of the CEO in the procedure of choice.

4. Screening of applications and invitation of candidates meeting the minimum requirements

For each professional profile sought, the selection process consists of the following stages:

a. pre-analysis: analysis of the CVs received to check that they meet the minimum requirements as well as those preferential for each candidate. In cases where the information contained in the CV are not sufficiently explanatory, it's possible to use fact sheets prepared ad hoc, for the collection of the missing information.

b. the Coordinator of Selection then, in agreement with the Committee, shall ensure compliance with the criteria of analysis identified in order to seek the largest number of candidates in possession of harmonized requirements.

c. at the end of the screening process, the Coordinator of Selection sends the resumes of the potentially interesting candidates to the members of the Committee.

d. the Selection Committee consolidates the shortlist to be convened for the selection. The Coordinator of Selection shall call the selection of candidates.

e. the calls shall be by email and/or via direct telephone contact. Each candidate, interested in taking part in the selection, is asked to sign a self-declaration to confirm the presence or absence of the situations envisaged by the regulations, which may generate conditions of conflict of interests or prevent the inclusion in the workforce and send it to the Coordinator of Selection. The Coordinator of Selection files all the summary documentation of the process in a special electronic folder.

5. Assessment tools

For each selection process, the Committee makes use of survey and evaluation tools useful to investigate the technical and cross skills required by the specific profile, in order to compare candidates from different points and analyze multiple variables. The integrated use of various approaches and tools enables greater reliability of the information collected and increased validity of the conclusions reached.

By way of example, below are a list and description of the main evaluation tools used.

Information questionnaire: tool by which the company collects detailed and updated information about the candidate's academic and professional career. Moreover, in the same document, the Committee describes the synthetic features of the professional profiles to be searched.

The questionnaire is given to the candidate concerned in paper or electronic format, then sent by e-mail, for a self-assessment. The candidate then has the opportunity to indicate, through this tool, his/her/its competence in relation to the professional profiles described.

Technical questionnaire: tools designed by the Committee, with the support of the Requiring Directorate, in order to check the technical and specialized skills of each candidate. These questionnaires are supplied on paper by the Committee.

Technical contextualized individual problem solving test: session in which each candidate is requested by the Committee of Selection to solve a typical problem of the position to be covered.

Depth technical interview: the relation of exchange and listening in order to prove possession of technical and professional skills. Normally, this interview is conducted by a member of the Committee belonging to the Requiring Directorate.

Practical tests: tests specially prepared by the Head of the Requiring Directorate, in the form of specific technical questions and/or practical exercises, which can be given to the candidate; they are aimed at assessing the specific professional and technical knowledge within his/her/its field of competence.

Personality questionnaires (BFQ): questionnaires designed to assess personality and relational behavior characteristics of the candidate and are based on the study of some characteristics of the behavior, relational and affective features of the person. They can be used, on the recommendation of the Coordinator of Selection, to integrate the information with the elements that emerged during the interview for the drafting of the profile. The test is an objective and standardized measurement of a sample of behavior. The BFQ is provided to candidates in hard copy or electronic format, which is e-mailed. The work to develop the test, which is done through the use of dedicated software, can only be accomplished by specialists or psychologists specifically trained for the performance of such tests.

Motivational orientation questionnaires: questionnaires designed to assess the motivational orientation of the candidate. They can be used, on the recommendation of the Coordinator of the Selection, to integrate the information with the elements that emerged during the interview for the drafting of the profile.

Psychological and behavioral tests: tests that aim to assess the higher cognitive abilities (including but not limited to verbal and mathematical logic skills, deductive reasoning ability). They can be used, on the recommendation of the Coordinator of Selection, with the approval of the Selection Committee, to integrate the information with the elements that emerged during the interview for the drafting of the profile.

Psychological and behavioral/motivational interview: exchange and listening relationship, focused on the acquisition by the Coordinator of Selection of assessment elements of fitness of the characteristics, ideas, aspirations, motivations, opinions, experiences of the candidate, compared to a specific position. ¹ Order of 28 May 2003 issued by the Court of Milan.

Role playing: active methodology of group that aims to simulate, as far as possible, a real work situation, in order to make known the candidates, through practical experience, the relationships that are established in an activity characterized by an important process of communication. Candidates can be assessed in the selection according to the behavior shown in scenarios of organizational life.

Assessment: operational methodology based on simulations performed in groups, complemented by individual exercises (i.e. personality tests, questionnaires, etc.) aimed at verifying fulfillment of the technical-specialist knowledge and skills, as well as detecting behavior of candidates and eventually evaluate the generic skills required.

The tools and methods described are chosen by the Selection Committee in relation to the professional profiles to search: with all the candidates, the Committee uses one or more of the tools and methods described above.

6. Results of selection The selection process concludes with an overall assessment by the Commission of Selection by defining the ranking of candidates suitable to cover the profile sought and therefore the list of unsuitable candidates. The candidate who ranks first on the list of eligible candidates (i.e. the candidates in the top positions depending on the number of positions available) is contacted to start the negotiation phase and the subsequent hiring process:

- The above-mentioned list is valid for one year, during which, if there is a need to include resources with the same profile for the same position, the Coordinator of Personnel, in accordance with the Requiring Directorate Head, provides for a new proposal for recruitment for the resource in the list, based on the order expressed by the same;

At the end of the entire selection phase, the Coordinator of the Selection draws up a report on the selection process concluded. This document contains:

- a) the summary related to different phases of the process,
- b) the number of resources to be included in the workforce;
- c) the list of the eligible candidates,
- d) the list of the unsuitable candidates,
- e) the profiles of assessment drawn up by the Coordinator of the Selection,
- f) the CVs of all the candidates who participated in the selection.

This document is shared, approved and signed by all members of the Selection Committee and, after acknowledgment by the Coordinator of Personnel, it is filed by the Coordinator of the Selection, in a separate paper file as well electronically and in a network folder in the computer area of the Human Resources and General Services Departments of GSE. The consultation of those minutes is allowed for the members of the Selection Committee, the Coordinator of Personnel and the Requiring Directorate Head for which the selection process takes place.

7. Communication with candidates

In accordance with the principle of transparency, throughout the process of selection, GME S.p.A. guarantees all candidates an appropriate level of information and communication regarding the trend of the selection, providing them appropriate feedbacks during each process phase.