

Group ESG and Sustainability Guidelines

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1 - MAIN INFORMATION CONTENT

The Directive defines the organisational model adopted by the Monte dei Paschi di Siena Group (hereinafter referred to as the Group or the MPS Group) for the integration of sustainability principles, covering the environmental, social and governance (ESG, as defined in the Glossary below) dimensions, into its strategy, business model and corporate policies pursued in the conduct of its activities. The Group aims to integrate these principles progressively, in a context of continuous change and in line with current and future challenges, in order to steer its actions towards the creation of long-term shared value and to reconcile business development and financial stability with social, environmental and governance sustainability.

This document outlines the principles, guidelines and relevant sustainability issues that are identified, implemented and monitored in order to respond to all internal and external stakeholders from an evolutionary perspective, with the aim of ensuring sustainable development, i.e. development that enables the present generation to meet its needs without compromising the ability of future generations to do the same.

The Group has adopted the global objectives set by international bodies for the preservation of the planet, society and the interests of future generations, and voluntarily participates in various Sustainability-related initiatives, in compliance with external regulations, the Code of Ethics and Italian and international guidelines and standards.

The Group therefore identifies the areas of commitment and issues on which to base the development of its Sustainable Business model and pursues the achievement of its objectives by integrating the three pillars of sustainable development into its own corporate strategy and activities:

- **Environmental Sustainability (E):** definition of general criteria, guidelines and measures that ensure the reduction of the direct and indirect environmental impacts of its activities by improving environmental performance indicators, aligning the Group's strategy with the objectives of the fight against climate change, providing financial support to customers in their energy transition to sustainable business models, developing products and services in line with the Sustainable Development Goals and the Paris Agreement, and monitoring climate and environmental risk factors.
- **Social Sustainability (S):** definition of general criteria, guidelines and measures that, through the identification of performance and risk indicators, ensure the monitoring of the direct and indirect social impacts of its activities in the areas most relevant for the Group, with a focus on its collaborators and the external community. Encouraging stakeholder involvement is integral to understanding their expectations and incorporating them into the company's strategy.
- **Governance Sustainability (G):** definition of general criteria, guidelines and measures that ensure the dissemination of a culture of sustainability and best-practice management within the organisation, as well as the incorporation of Sustainability into the corporate strategy, governance structure, internal rules and policies, risk

management and all its activities and operations, with the roles and tasks related to Sustainability and ESG assigned to the Group's bodies by this Directive.

The Group Directive on Sustainability and ESG thus defines the MPS Group's areas of commitment in terms of Environmental, Social and Governance Sustainability, and formalises the roles and responsibilities of the different Bodies and Functions involved in managing and implementing the processes to achieve the commitments themselves.

With this Directive, the Group aims to promote a culture of Sustainability and raise awareness of the potential impact of these issues on the Group's operational processes.

2 - AREAS OF COMMITMENT

2.1 - GENERAL PRINCIPLES

The MPS Group is committed to making a positive contribution to sustainable development and incorporating the principles of Sustainability into its corporate strategy, in line with its historical commitment to act in the interests of all stakeholders, the obligations deriving from the voluntary initiatives it has adhered to at national and international level, as well as external regulations.

The Parent Company defines the areas of commitment in which the MPS Group, taking into account its activities and characteristics, can contribute more effectively and concretely in order to have a positive impact on the environment and society and support the transition towards sustainable development models. In identifying these areas of commitment, the expectations of the external context are taken into account, as well as the issues considered "material" for the Group, in alignment with the Double Materiality Assessment¹.

The Double Materiality Assessment is a strategic tool for defining a roadmap of actions and objectives and for identifying the relevant topics to be disclosed in the annual sustainability report. This assessment is carried out periodically in order to capture changes in stakeholder interests and in issues that may affect the Group's financial performance and resilience. Such changes may result in a reassessment of the materiality of certain topics and, consequently, to adjustments in strategic choices. This approach supports decision-making processes that are consistent with the expectations of stakeholders and investors, while enhancing risk management, resilience, and reputation, as well as fostering the generation of positive impacts on society and the environment. The relevance of these topics may therefore evolve over time to support value creation for all stakeholders and to strengthen the Group's resilience and positioning.

¹ The Double Materiality Assessment and its outcomes can be consulted in the Sustainability Reporting section of the Annual Financial Report.

The following paragraphs provide a definition of the above-mentioned areas of commitment as well as an explanation of the main lines of action followed by the Group to achieve its objectives.

2.2 - DIRECT ENVIRONMENTAL IMPACTS

With regard to “Direct environmental impacts”, the MPS Group is committed to “working to minimise direct environmental impacts through the efficient use of resources and the fight against pollution and climate change.”

In this context, the MPS Group carries out preventive actions aimed at reducing its direct environmental impact in order to tackle pollution and climate change, with particular attention to the containment of emissions, energy efficiency and waste management. Moreover, since 2003 the Parent Company has implemented an Environmental Management System (EMS) compliant with the UNI EN ISO 14001 standard and certified by an accredited external body². The Group Companies adopt and implement the model defined by the Parent Company, identifying corporate responsibilities in accordance with the roles established by law and ensuring the effective implementation of the related processes. The adoption of the EMS allows the Group to define principles, strategies, roles and responsibilities for the management of activities, as well as objectives to improve environmental management and develop procedures for the management and control of environmental impacts³. In this context, the MPS Group aims to measure and progressively reduce its Scope 1, Scope 2 and Scope 3 climate-changing emissions, and is committed to purchasing the services and products necessary for its activities by evaluating suppliers in terms of their environmental impact, using energy from renewable sources and minimising waste production.

2.3 - SUSTAINABLE FINANCE AND CLIMATE CHANGE

In line with its strategy, market trends and the new European regulations in the field of "Sustainable Finance", the MPS Group is committed to acting in support of sustainable development by progressively integrating sustainability principles into its strategies and operational processes. In its financing, investment and funding activities, the Group takes account of environmental, social and governance factors, known as ESG factors, and directs capital towards activities, projects and products aimed at generating positive impacts and supporting the sustainable transition.

² At the time of publication of these Guidelines, the Parent Company is certified in accordance with ISO 14001.

³ Pursuant to the ISO14001 Standard, within the scope of the EMS, the Bank determines the environmental aspects of its activities, products and services that it can control and those over which it can exert influence, and their associated environmental impacts, adopting a life-cycle perspective.

2.3.1 - Lending Activities

The MPS Group adopts and develops an approach to its lending activities that seeks to harness the opportunities associated with supporting the ongoing global transition process, while at the same time identifying, assessing and mitigating potential ESG risks, including those related to climate change and environmental degradation, which, by causing structural changes, affect economic activity and therefore the financial system and the assessment of counterparties' creditworthiness. In adopting this approach, the Group is pursuing a twofold objective:

- to promote a path of decarbonisation of its credit portfolio and its clients, in line with the commitments made with the NZBA, and a gradual alignment of the same with European taxonomy guidelines, as measured by the Green Asset Ratio (GAR) and Banking Book Alignment Ratio (BTAR) indicators;
- to finance counterparties and projects whose activities contribute to the generation of benefits/positive impacts for society and the environment, and, in this context, to limit financing to those counterparties that, for example, do not guarantee the protection of human and labour rights and/or operate in so-called Controversial Sectors with a high social impact.

In this context, the Group has defined the following guidelines, in line with its Sustainability values, its national and international commitments, the requirements of Italian and European legislation and the characteristics of its portfolio, in order to direct its capital towards sustainable economic activities and generate positive social and environmental impacts:

a) ECONOMIC SECTORS WITH HIGH SOCIAL IMPACT - SPECIFIC DUE DILIGENCE

Without prejudice to all the other activities provided for in the internal credit granting and review policies, such as those relating to the fight against money laundering and the financing of terrorism, and in line with the decarbonisation strategy and the commitment to a sustainable transition, the Group has identified three sectors with a high social impact for which it strengthens its policies.

1. Production and commercialisation of weapons

Since 2001, the Montepaschi Group, in accordance with its values and the guidelines of its own Code of Ethics, has committed itself to avoiding any involvement in financing and intermediation activities related to the production and trade of weapons, as defined by Law 185/90.

The Group does not support in any way transactions involving controversial weapons and/or weapons prohibited by international treaties, such as nuclear, biological and chemical weapons, cluster bombs, weapons containing depleted uranium, anti-personnel landmines, nor does it support operations destined for countries subject to sanctions and

embargoes, countries in armed conflict and/or whose governments have been responsible for serious violations of international human rights conventions, nor does it cooperate with entities operating in these market sectors.

With regard to the production, transit and/or commercialisation of weapon materials, the Group may support transactions that are authorised by the competent authorities and comply with applicable legislation.

For transactions in sectors where no prior authorisation is required, the Group reserves the right to assess all risk factors, including reputational, related to the nature and purpose of the requested transaction. To this end, the Group always makes the feasibility of the operation subject to specific investigations into the profile of the customer, the economic sector, the nature of the supply to which the transaction relates, the ultimate beneficiary and, where appropriate, the risk profile of the foreign beneficiary, without prejudice to any other measures provided for in the internal credit granting and review policies.

In line with Italy's commitments under the Ottawa and Oslo Conventions, Law No. 220/2021 introduces a total ban on the financing of companies—regardless of their legal form and whether headquartered in Italy or abroad—that, either directly or through subsidiaries or affiliated entities as defined by Article 2359 of the Italian Civil Code, engage in the construction, production, development, assembly, repair, maintenance, use, deployment, storage, possession, promotion, sale, distribution, import, export, transfer, or transportation of anti-personnel mines, cluster munitions and submunitions, of any type or composition, or of their components.

In accordance with the instructions issued by the Bank of Italy through the Provision dated 23 July 2024, which implements Article 3 of Law No. 220/2021, the Group prohibits any financing operations involving companies engaged in the production of anti-personnel mines and cluster munitions and submunitions, as listed in the “publicly available lists of companies producing anti-personnel mines and cluster munitions or submunitions” (see Article 4 of Law No. 220/2021). This financing ban applies both to credit operations involving such companies and to the purchase—on both the primary and secondary markets—by Group clients of financial instruments issued by entities included in the aforementioned lists.

2. Tobacco industry and cultivation

Numerous studies and research clearly demonstrate the link between tobacco consumption and serious health issues. In order to contribute to reducing the harmful effects of tobacco on health and society as a whole, the Group reserves the right, when dealing with counterparties operating in this sector, to make a thorough assessment of the risks, including reputational risks, associated with the nature and purpose of the transaction and the profile of the counterparty.

In particular, transactions involving the financing of counterparties and activities/projects related to tobacco cultivation and the tobacco industry will be subject to comprehensive and documented due diligence assessment of the nature of the individual transaction to be carried out and the associated risk profile of the counterparty, based on the following criteria:

- Involvement in corruption or ethically controversial activities that expose the company to particular media attention and criticism;
- State-owned company or provider of state-concession services;
- Company with revenues predominantly derived from tobacco cultivation and production activities;
- Company with revenues derived predominantly from tobacco cultivation and production activities for pharmaceutical purposes.

3. Activities related to the development and spread of gambling

Gambling can lead to pathological addictive behaviour, have a negative impact on the health and well-being of the individuals involved, and contribute to serious financial problems, family tensions, emotional stress and mental health impacts.

In order to help mitigate the above negative impacts on society and individuals, the Group reserves the right, when dealing with counterparties operating in this sector, to carry out a comprehensive and documented assessment due diligence assessment of the risks, including reputational risks, associated with the nature and purpose of the transaction and the profile of the counterparty.

In particular, with regard to the nature and purpose of each individual transaction, all transactions aimed at:

- the establishment of online gaming platforms;
- the purchase, construction, development and expansion of gaming halls;
- the purchase and manufacture of gaming machines;
- marketing activities and commercial advertising related to gambling;

are subject to due diligence. The risk profile of the counterparty is also carefully assessed and documented based on the following criteria:

- Certifications demonstrating compliance with high standards of Responsible Gaming;
- Authorisation by the Customs and Monopolies Agency for online betting;
- Involvement in corruption or ethically controversial activities;
- State-owned company or provider of state-concession services;

- Policies implemented by counterparties to prevent the risk of criminal infiltration and to mitigate the social impact of gambling addiction;
- Internal ethical policies aimed at preventing gambling addiction and the misuse of funds by vulnerable groups.

b) ECONOMIC SECTORS WITH HIGH ENVIRONMENTAL IMPACT – DECARBONISATION STRATEGY

The changes needed to support environmental transition require the mobilisation of resources on a scale that requires the strong involvement of the global, European and national financial systems at all levels. Banks and other financial intermediaries, in their essential role of allocating private financial resources, have a responsibility to channel these resources in ways that contribute more to the green transition. The MPS Group shares the global focus on strengthening the commitment to decarbonise Europe's energy and economic systems and recognises the important role of private finance in allocating the capital needed to address climate change and diversify the risks to which the financial system itself is exposed. In this context, the Group, aware of its role within the banking system, has defined its own strategy to support the transition and decarbonisation of its loan portfolio, in line with European and national plans, while equipping itself with tools to manage its exposure to climate and environmental risks.

The contribution to achieving carbon neutrality will not be the same for all sectors in terms of methods and timing, but will depend on specific characteristics, the level of technology developed and the opportunities for intervention. Therefore, in line with the general roadmap outlined by the European institutions and "Italy for Climate"⁴, the Group's decarbonisation strategy has been differentiated for different types of economic sectors, based on their contribution to greenhouse gas emissions, their role in the decarbonisation process and their real opportunities, including the availability of transition-enabling technologies. In this context, the Group has categorised high-environmental impact sectors into:

1. High emitting sectors⁵ (referred to as NZBA Sectors): sectors characterised by high emissions per unit of product produced, playing a central role in the transition path and typically associated with activities in the following sectors:

- Coal

⁴ Italy for Climate (I4C) is the initiative of the Foundation for Sustainable Development to accelerate Italy's transition to climate neutrality. The initiative is carried out in collaboration with technical reference organisations and is promoted by a group of Italian companies that are leaders in their sectors and particularly committed to combating the climate crisis. Italy for Climate is developing and promoting the first roadmap for Italy's climate neutrality, with targets for 2030 and targeted policy proposals to steer all sectors of the economy towards zero emissions.

⁵ In line with its adherence to the NZBA, in defining the scope of the high emitting sectors, the MPS Group has mapped and classified the types of activities within the counterpart's sector and value chain according to the guidelines provided by the UNEP-NZBA and the Statistical Classification of Economic Activities in the European Communities (known as the "NACE Code"), established in 1970 by Eurostat, the Statistical Office of the European Commission.

- Oil & Gas
- Power Generation
- Iron & Steel
- Aluminium
- Cement
- Real Estate
- Agriculture

Through its membership of the Net Zero Banking Alliance, MPS Group has reaffirmed its commitment to the fight against climate change, with the aim of achieving net zero emissions across its portfolio of loans to non-financial institutions (corporate portfolio) and its investment portfolio by 2050. As a result, the Group has defined a decarbonisation strategy covering all high environmental risk sectors, which includes: the setting of interim decarbonisation targets for 2030 for high emitting sectors, based on international and European decarbonization scenarios; the definition and disclosure of supporting strategies; the regular monitoring of progress towards these targets; and possible revisions, where data and methodologies so allow. The definition of these targets is identified in accordance with UNEP-NZBA guidelines. The Group has identified the high emitting priority sectors: Iron & Steel, Power Generation, Oil & Gas, Cement, Aluminium, and Coal. The Group's Net-Zero Banking Alliance (NZBA) decarbonisation targets for these sectors have been communicated to NZBA and are subject to ongoing monitoring and reporting, in line with the commitments undertaken with the NZBA. For other high-emitting sectors and sectors with significant environmental impact, the Group periodically assesses the definition of management and interim decarbonisation targets, along with the corresponding actions.

The Group aims to achieve its decarbonisation targets through the development of its own transition plan, which includes: defining the levers to be activated in the portfolio optimisation process; identifying macro-strategies aimed at eliminating misalignment with the established decarbonisation targets, in line with credit policies and providing guidance on the volume of green financing to be deployed; and defining the characteristics of Green Products designed to support the Group's transition policies. These policies are differentiated by loan type (e.g., special-purpose or general-purpose loans) and are based on an analysis of the Use of proceeds and/or on the establishment of KPIs and SPTs (Sustainability Performance Targets) considered appropriate to achieve improvements in emissions performance and reduce exposure to transition risk. They may also include the subscription of ESG-linked covenants, setting out specific monitoring mechanisms, and may provide for differentiated pricing based on the strategic contribution made (e.g. contribution to the NZBA target, GAR, BTAR, and compliance with the EU Taxonomy).

2. Other relevant climate and environmental sectors

In addition to what is foreseen for the sectors identified as high emitting, in line with NZBA guidelines, the Bank is committed to defining strategic, credit and commercial actions also for the relevant climate and environmental sectors, i.e. those sectors which, although not included in the NZBA sectors, contribute significantly to greenhouse gas emissions and are characterised by a high risk of transition and a high degree of dependence on developments and structural changes in the high emitting sectors (e.g. availability of renewable energy, use of lower emission and energy-consuming technologies and equipment, etc.). These sectors will therefore be sequentially involved in the implementation of measures to support the transition, also as a result of changes in legislation and national and European plans. The dynamics described also potentially expose these sectors to greater transition risk in the medium to long term and are therefore the subject of strategic action by the Bank aimed at seizing commercial opportunities but also at mitigating this risk. The identification of these sectors is reviewed annually on the basis of the Group's exposure to them, the composition of the loan portfolio, the analysis of the regulatory constraints and opportunities in the EU and Italian context, the assessment of the impact of climate and environmental risks ("materiality risk assessment") and the results of the simulations carried out on the Bank's portfolio using short, medium and long-term macroeconomic climate scenarios. For these sectors, the Group identifies—consistently with available technologies—specific actions, commercial guidelines, and client engagement methods, which are incorporated annually into the Group's credit strategies. In general:

- For sectors with high emissions intensity and significant environmental impact, and which present a negative ESG outlook as determined by the ESG questionnaire, the commercial offering will be directed towards transition-supporting financing solutions with specific purposes, reporting methods, and ESG performance indicators aligned with the Bank's climate and environmental objectives, which in turn are consistent with the Paris Agreement and the NZBA guidelines (e.g. Green Loans and Sustainability-Linked Loans (SLLs));
- For all sectors characterised by a greater dispersion of exposures, and which present a negative ESG outlook, as determined by the ESG questionnaire, the commercial offering will prioritise transition-supporting financing solutions with specific purposes and characteristics aligned with the Bank's climate and environmental objectives, which in turn are consistent with the Paris Agreement and the NZBA guidelines (e.g. Green Loans and Sustainability Linked Loans (SLL)). Typically, the relevance of emission intensity for such sectors is linked to the high reliance on energy from non-renewable sources. For this reason, the commercial offer will focus on cross-sectoral initiatives, primarily aimed at energy efficiency measures and increased use of renewable energy.

All other sectors of economic activity that do not fall under the above and are traditionally considered to have a lower environmental impact, but which can nevertheless implement cross-cutting measures in favour of the green transition (e.g. energy efficiency measures, increased use of renewable energy etc.), can still benefit from the solutions identified for the climate-relevant or high emitting sectors.

The strategies described above apply to corporate exposures.

The strategy to support the transition and decarbonisation also includes measures to improve the emissions profile of exposures to individuals by encouraging customers to take action to improve the energy performance of residential properties. These actions include the use of specific financial products (e.g., mortgages for the purchase of green properties and mortgages for energy renovation) and/or specific commercial campaigns, with the application of differentiated pricing conditions based on the achievement of certain levels of energy performance. The level of energy performance must be adequately demonstrated by certifications issued by authorised external consultants in accordance with the applicable regulations.

On the other hand, as regards the mitigation of physical risk, the Bank is committed to progressively integrating this risk factor into its credit processes, both through specific credit policy guidelines and through commercial actions, with the aim of mitigating these risks on the basis of the level of exposure of each counterparty.

c) HIGH EMITTING SECTORS – RESTRICTIVE CRITERIA AND EXCLUSIONS

Without prejudice to all other activities provided for in the internal lending and review policies, and in line with the broader decarbonisation and green transition support strategy described in the previous paragraph, a number of high environmental impact areas have been identified. The Group intends to strengthen its decarbonisation/transition strategy and policies in these areas, including some more restrictive exclusion/enhanced due diligence criteria to be applied when assessing loans.

Specifically, these are activities in sectors identified as high emitting (NZBA sectors) that relate to:

- Coal mining;
- Power generation;
- Oil & Gas.

For such activities, which are characterised by particularly harmful effects in terms of emissions or impacts on ecosystem balances, the Group intends to apply more restrictive criteria for the approval of financing for projects and counterparties, as described in more detail below.

1. Coal Mining

In line with the objectives of the Paris Agreement, as well as the targets to increase the use of alternative energy sources by 2030 (Fit for 55 package) and the National Integrated Plan for Energy and Climate (NIPEC⁶), which foresees the phasing out of coal-fired electricity generation by 2025, the Group, in accordance with the NZBA commitments, is promoting the transition to a net-zero economy, which involves the gradual elimination of the use of coal, and supporting its customers in this transition.

In this context, the Montepaschi Group excludes any new exposure to companies operating in the coal mining sector (Coal Sector for NZBA purposes) and any new financing aimed at the:

- exploration and creation of new coal mines;
- development or expansion of existing coal mines.

Active exposures to companies involved in coal mining will not be renewed after their natural expiry. Therefore, the NZBA target foresees a phase-out for existing transactions in this sector and an exclusion for new transactions.

However, with the aim of contributing to the preservation and restoration of the natural environment and ecosystems, the Group may finance projects aimed at the conversion and reclamation of mining sites, the objectives, environmental benefits and overall effectiveness of which must be assessed in advance through specific due diligence.

2. Power Generation

The electricity generation, marketing and distribution sector (or Power Generation for NZBA purposes) is considered to be a high emitting sector due to the use of fossil fuels with high carbon dioxide emissions, intensive use of natural resources and environmental pollution. Given the magnitude of the sector's impact on climate and the environment, the Group supports the renewable energy proposal contained in the European Union's 'Fit for 55' package, which aims to achieve a target of at least 40% of energy produced from renewable sources by 2030 at EU level. Given these characteristics, the power generation sector falls within the Group's decarbonisation strategy, for which a decarbonisation target has been set in line with NZBA alliance.

With regard to this sector, in addition to accompanying and supporting companies in their transition, and in line with the decarbonisation strategy and EU objectives, the Group will adopt a strategy of exclusion and phasing out with regard to companies operating in this sector and applying for financing that have one or more of the following characteristics:

- Plans to expand coal-fired power generation capacity;

⁶ National Integrated Plan for Energy and Climate.

- Commitments to build new coal-fired power plants;
- Share of coal-fired power generation exceeding 30% and no transition plan in line with the Paris Agreement targets;
- Lack of transition plans to increase renewable energy generation to at least 40% by 2030.

3. Oil & Gas

The extraction of oil and gas (Oil& Gas for NZBA purposes), while important for meeting growing global energy demand, can pose significant environmental risks such as groundwater pollution, increased greenhouse gas emissions and destruction of natural ecosystems. Given these characteristics, it is considered a high emitting sector for which a decarbonisation target for 2030 has been set in line with the NZBA guidelines, as well as a decarbonisation strategy to support the transition, differentiated by Counterparty characteristics.

In this sector, the Group also provides some **exclusion criteria** and commits not to provide any type of financial products and services related to new projects aimed at the development, expansion or extension of exploration and production sites for **unconventional oil and gas** resources, such as:

- fracking/shale oil and gas⁷;
- Tar sands⁸;
- Artic oil and gas⁹;
- Oil in the "Sacred Headwaters of the Amazon"¹⁰;

⁷ Shale gas (named after the rock from which it is extracted) is extracted in an unconventional way, using techniques that have to overcome the obstacles of highly impermeable rock. Shale gas is extracted using a technique known as hydraulic fracturing or fracking. Large volumes of water and chemical additives (emulsions, sand and solvents) are injected at high pressure to fracture the rock and extract the gas.

⁸ Tar sands consist of sand, clay, water and a dense substance called bitumen, which consists of hydrocarbons and is used to make gasoline. Common extraction methods include surface mining and "in situ" extraction, where steam is used to liquefy the bitumen deep underground. Extracting tar sands requires almost three times the amount of water used for conventional oil, which is also contaminated with harmful toxic substances.

⁹ It is estimated that 20% of the world's hydrocarbon resources are located in the Arctic, but offshore oil exploration and drilling can threaten fish and marine mammals by exposing them to harmful underwater noise that disrupts navigation and feeding. In addition, in the event of a spill, Arctic marine ecosystems could take decades to recover from the damage.

¹⁰ The oil industry is a major driver of deforestation in the western Amazon. The expansion of oil production and the search for new oil reserves beneath the Amazon rainforest are exacerbating climate disruption and destroying the livelihoods and cultures of hundreds of thousands of indigenous people.

- Ultra-deep water¹¹.

The Group also commits to implementing a policy to phase out from all existing financial products and services related to projects for the construction, expansion or extension of exploration, production and transportation sites (upstream and midstream) of unconventional oil and gas resources.

These exclusion criteria also apply to companies within the "Oil & Gas" sector that derive more than 20% of their revenues from activities related to the extraction and/or transportation of unconventional oil and gas and that are engaged in upstream activities, such as exploration and extraction, as well as midstream activities, including transportation through pipelines, directly linked to the exploration and extraction of unconventional resources described above.

With regard to the oil and gas sector, in line with the agreement reached at COP-28 in Dubai in December 2023, the Group also commits not to finance activities related to new oil exploration, or activities related to the design, construction and maintenance of facilities for the purpose of searching for oil reserves, determining the extent of such reserves, and developing new oil reserves and related infrastructure.

2.3.1.1 - Integrating ESG factors into credit standards and processes

The MPS Group applies a credit assessment process based on strategies and standards that integrate ESG criteria, defines lending guidelines based on an assessment of the customer's sustainability profile and the risks associated with ESG factors, and monitors lending against these guidelines. In this context, the Group:

1. integrates the assessment of financial feasibility, based on prospective solvency criteria, with the assessment of the sustainability profile in the credit disbursement process;
2. defines general exclusion rules based on minimum sustainability criteria (general screening criteria).

1. The integration of ESG factors into credit processes and standards, as well as their monitoring, enables:

- Ensuring that credit disbursement processes are consistent with sustainability principles and the Group's decarbonisation strategy and transition support;
- Monitoring progress towards the decarbonisation strategy and the Group's exposure to risks related to ESG factors;
- Addressing and mitigating the impact of climate and environmental risks and other ESG risk factors on the Group;

¹¹ Offshore activities are risky and can devastate the marine environment. High waves can make it impossible to clean up oil spills, and the impact on wildlife and coral reefs can be severe.

- Ensuring alignment with the Group's risk appetite framework and strategic ESG objectives.

In this context, the Group has developed tools to assess the sustainability and ESG risk profile of:

- its customers, through the collection of information on the ESG profile of the counterparty, carried out both through an **ESG questionnaire** (currently sent to companies) and through the use of information obtained independently from open data sources or specialised information providers, integrating all available information into a **sustainability profile** of each counterparty synthesised by the ESG score;
- the operations financed, identifying the **purpose** of the operations through the acquisition of sustainability documents and certifications and the sharing of ESG KPIs, and proceeding to list the purpose itself in the Bank's information system.

2. General screening criteria

The Group has established **General Screening Criteria** applicable to **all counterparties and projects** in order to assess their compliance with the **minimum sustainability criteria** considered essential by the Group, which are also expressed more generally in the Code of Ethics, in accordance with international, European and national conventions (ILO¹²);

In this context, the MPS Group therefore undertakes not to provide financing to counterparties and projects whose screening reveals elements that could have a negative impact on:

- World Heritage Sites (UNESCO)¹³
- Wetlands under the Ramsar Convention¹⁴

¹² The International Labour Organization (ILO) is a specialised agency of the United Nations that promotes social justice and internationally recognised human rights, particularly those relating to work in all its aspects. It was the first specialised agency to become part of the United Nations system in 1946, but its creation dates back to 1919 within the League of Nations. As of 2022, it has 187 member States, including Italy, and its official languages are English, French and Spanish. Its headquarters are in Geneva. Its members are states, not individual companies, so national regulations must take account of the organisation's principles.

¹³ <https://whc.unesco.org/en/list/>.

¹⁴ Under the Ramsar Convention, wetlands are defined as "Sites containing representative, rare or unique wetland types" or "Sites of international importance for conserving biological diversity" listed in the wetlands Convention adopted by Ramsar in Iran in 1971 (Ramsar Convention - <http://www.ramsar.org/>).

- Protected or sensitive areas for biodiversity conservation (IUCN Category I-VI Areas)¹⁵

The Group also undertakes not to finance companies or projects if, during the evaluation phase, there is evidence of legal proceedings resulting in final judgements, concerning:

- Violation of human rights and health and safety standards;
- Violation of fundamental labour rights and standards on child and forced labour;
- Fraud in financial and non-financial reporting, money laundering, corruption or the financing of terrorism.

In cases where there is evidence of legal proceedings that have been initiated – but have not yet resulted in a final judgement – for violations of the aforementioned regulations, the Group undertakes to assess, with the utmost care and diligence, any financing operations involving the counterparties concerned, taking into account the potential exposure to reputational risk.

2.3.2 - ESG strategy and commercial offering

In its role as an active participant and driver of change in the economic and social context, the Group contributes to supporting its customers' transition to sustainable models by guiding them towards solutions that improve their sustainability profile. This is achieved by developing and promoting products with social and environmental characteristics and, more generally, linked to sustainability.

The Group's commercial offering includes different types of ESG products, namely loans, financing and credit lines to companies and individuals committed to sustainable practices. Three types of ESG products can be distinguished, depending on their purpose, requirements and reporting methodology:¹⁶

- **Sustainability Linked Loan:** any type of financial product that incentivises the client to achieve ambitious and pre-determined targets in terms of **sustainability performance**;
- **Green/social Loan:** any type of loan exclusively intended to finance or refinance, in whole or in part, new and/or existing "**green projects** " or projects with a social purpose;

¹⁵ International Classification of Protected Areas proposed by the World Commission on Protected Areas of the International Union for Conservation of Nature (IUCN).

¹⁶ The design of such products is in line with the main guidelines in the field (Loan Market Association (LMA) 'Green and Sustainable Lending Glossary of Terms' and EU Taxonomy).

- **Taxonomy Aligned Loan:** a specific type of Green Loan aligned with the principles and technical requirements established by the **European Taxonomy**.

The Group's commercial offering is complemented by the provision of arrangement and placement services for ESG-labelled bonds issued by customers. In the context of primary market transactions, the Bank may underwrite such securities when their purpose is consistent with the Group's sustainability strategy.

These instruments are issued in accordance with the Issuer guidelines and have characteristics in line with the ICMA Principles for Sustainable Finance¹⁷ or the EU Taxonomy for Sustainable Finance.

In particular, they are instruments based on the "use of proceeds" principle, aimed at financing or refinancing environmental or social projects, or general types of financing linked to the achievement of KPIs.

2.3.3 - Integrating ESG factors into investment services

The Group has launched several initiatives to align its investment services activities with its sustainability objectives and to comply with new regulations on ESG product offerings,¹⁸ which include obligations to:

- Provide end investors with information on sustainability risks and promote ESG factors in financial investment activities;
- Include ESG sustainability factors in the Mifid questionnaire and suitability checks.

The Bank's commercial offer is constantly being expanded to include **products** whose characteristics are in line with the regulatory definition of sustainable products, based on the Bank's analysis of the information provided by the manufacturer and communicated to the markets¹⁹.

¹⁷ Green Bond Principles - "GBP", Social Bond Principles - "SBP", Sustainability Bond Guidelines - "SBG", Sustainability Linked Bond Principles - "SLBP"

¹⁸ Regulation (EU) 2019/2088 supplemented by Regulation 1288/2022 and Delegated Regulation (EU) 2021/1253, in force from 2 August 2022, which provides for amendments to Delegated Regulation (EU) 2017/565 supplementing the MiFID II Directive.

¹⁹ In particular, sustainable products are defined as products that invest in "environmentally sustainable" or "taxonomy-aligned" activities (formerly referred to as letter a) of Article 2(7) of the MiFID II Delegated Regulation), or that invest in sustainable activities as defined in Article 2(17) of the SFDR (previously referred to as letter b) of Article 2(7) of the Delegated Regulation MiFID II), or that take into account the "Principal Adverse Impacts" or "PAI" (previously referred to as letter c) of Article 2(7) of the Delegated Regulation MiFID II.

In the context of Undertakings for the Collective Investment in Transferable Securities (UCITs), the issuance of new ESG-focused segments is encouraged, including through the placement of window funds.

With regard to the decision-making **process** for asset management investments, Banca MPS has defined ESG guidelines to be adopted for the identification/definition of investment solutions, in line with the credit guidelines adopted, to be offered to customers who express preferences for environmental, social and governance issues. In the decision-making process for constructing portfolios of the Asset Management lines, Banca MPS carries out an analysis of the counterparties in order to assess the sustainability risks and ensure compliance with the relevant regulations.

2.3.4 - ESG Funding

The Group also plans to establish a Green, Social, Sustainability and Sustainability-linked Bond (GSS Bond) framework to issue financial instruments that pursue environmentally sustainable objectives or objectives aimed at mitigating social imbalances, or both, in line with the principles of the ICMA, LMA and EU taxonomy, and in accordance with the Green Product Framework to be offered to its customers.

"GSS Bonds" are financial instruments issued with the aim of raising capital to be allocated to projects that have a positive impact on the environment, society or both. GSS Bonds may be issued in secured or unsecured forms, such as covered bonds, traditional and synthetic securitisations and asset-backed commercial paper.

Proceeds from the placement of GSS bonds, which may be issued in the form of green, social, sustainability and sustainability-linked bonds, will be used to finance sustainable growth, supporting the transition to a safe, climate-neutral, climate-resilient and efficient economy by financing a range of projects that contribute to sustainable development, such as those related to the environment, health, education, employment, social inclusion and other initiatives that improve the quality of life of individuals and communities.

2.4 - RELATIONSHIP WITH CUSTOMERS AND THE COMMUNITY

With regard to the "Relationship with Customers and the Community", the MPS Group is committed to "promoting the economic and social empowerment of territories through products, services and initiatives that support local entrepreneurship, so as to foster the development of local communities and benefit people, families and small businesses, ensuring inclusion and accessibility."

In this context, the MPS Group has always been characterised by an active presence in the territory, exercised through initiatives of exchange and dialogue with customers and communities, aimed at building and consolidating a relationship

of trust between the Bank and its customers, in particular through: in-depth analysis and knowledge of the territories in which it operates; customer listening programmes; assistance; service; physical accessibility to its services; and simplicity, transparency and clarity of communication with its customers.

In line with such an approach and its evolution, the Group is committed to supporting its own community, promoting local socio-economic development through initiatives focused on professional orientation, support for young jobseekers, the enhancement of the artistic and cultural heritage and financial education. In addition to its domestic presence, the MPS Group is committed to progressively implementing a plan of widespread digitalization in order to proactively respond to the demands and expectations of its customers, promoting a range of new multi-channel and integrated services and products, while ensuring the privacy of customer data and transactions.

2.5 - PROTECTION OF PEOPLE, DEVELOPMENT, PROMOTION OF DIVERSITY AND INCLUSION

With regard to the “protection of people, development, promotion of diversity and inclusion” the MPS Group is committed to “Responsibly managing human resources in terms of selection, training and professional development, remuneration policies, health and safety, welfare, work-life balance and respect for everyone’s differences, whether based on gender, age, sexual orientation, religion, etc.”.

The Group has always paid particular attention to these issues through a consolidated process of defining measures and regulations that are constantly evolving in order to enhance the value of people in the various aspects and phases of life within the company: from staff recruitment to training and professional development, from remuneration policies to management policies, from health and safety measures to employee welfare solutions adapted to specific needs. In addition to an approach based on constant dialogue with the trade unions and compliance with current regulations, the reference criteria remain as follows: inclusion and promotion of diversity, fairness and transparency. In light of the foregoing, it is worth highlighting that the Group has obtained Gender Equality Certification, in accordance with the provisions of the UNI/PDR 125:2022 reference standard, with the aim of consolidating and implementing a systemic approach to cultural change in order to achieve a fairer gender balance and a more inclusive working environment. With regard to the health and safety of its employees, the MPS Group implements measures to improve the working environment. The Parent Company and the Group Companies have already adopted a Health and Safety Management system (HSMS) for the workplace, compliant with the UNI EN ISO 45001²⁰ standard and certified by a qualified external body. The Group Companies adopt and implement the model established by the Parent Company for the governance of workplace health and safety, identifying corporate roles and responsibilities in accordance with the roles required by law

²⁰ At the moment of this Directive’s publication, the Parent Company, MPS Capital Services, Consorzio Operativo Montepaschi and Magazzini Generali Fiduciari di Mantova are certified according to the ISO45001 Standard

and ensuring the effective implementation of the related processes. The adoption of the HSMS includes the definition of principles, strategies, roles and responsibilities for the management of activities, the development of management and control procedures, as well as the definition of improvement objectives.

2.6 - RESPONSIBLE BUSINESS AND THE FIGHT AGAINST CORRUPTION

With regard to “Responsible business and fight against corruption”, the MPS Group is committed to “Operating according to criteria of integrity, responsibility and transparency, applying models of governance, business conduct, fight against corruption and anti-money-laundering practices aligned with the relative international conventions and best practice.”

In this context, the Group has adopted an organizational model that envisages the involvement of all company structures in consolidating behaviours consistent with the principles of ethics and risk culture, responsibility and legality, in accordance with what is stated in the Code of Ethics, in “Model 231”, in the rules for the prevention of corruption and in the Anti-Money Laundering and Counter Terrorism Financing Policy of the Group. In order to verify compliance with these principles, the Group has adopted an Internal Control System consisting of a set of rules, functions, resources and procedures aimed at ensuring the sound and prudent management of the company and has equipped itself with a whistleblowing system for reporting violations. Furthermore, in its relationship with the supply chain, the Group is committed to applying rigorous standards in the selection and management of suppliers, in order to encourage the respect of all human rights and of environmental and social criteria along the entire supply chain.

3 - SUSTAINABILITY GOVERNANCE – STRUCTURING OF THE MAIN RESPONSIBILITIES OF THE GROUP

Board of Directors of the Parent Company (B.o.D.)	<ul style="list-style-type: none"> ▪ Committed to supporting the pursuit of “Sustainable Success”, it approves the Sustainability strategies and policies, ensures their effective implementation, and verifies that the risk management framework integrates ESG factors; ▪ Approves the Double Materiality Assessment and the Sustainability Report as part of the approval of the Annual Financial Report.
Risk and Sustainability Committee of the Parent Company	<ul style="list-style-type: none"> ▪ Supports the Board with assessment, proposal-making and advisory functions in assessments and decisions relating to Sustainability; ▪ Monitors the Group’s Sustainability positioning.
Board of Statutory Auditors of the Parent Company	<ul style="list-style-type: none"> ▪ Supervises compliance with the provisions established by Legislative Decree no. 125 of 6 September 2024 and in Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.
CEO of the Parent Company	<ul style="list-style-type: none"> ▪ Oversees Sustainability-related activities and actions to be implemented, while monitoring and ensuring the achievement of defined objectives.
Management Committee of the Parent Company	<ul style="list-style-type: none"> ▪ Through the specific “ESG and Sustainability” session, supports the CEO in defining sustainability strategies and policies and in finalizing the initiatives contained in the Sustainability Plan; ▪ Monitors the development of Sustainability Plan initiatives, ensuring appropriate sponsorship of initiatives and managing the resolution of critical issues in order to achieve the Group's strategic objectives.
Head of ESG and Sustainability/ the Sustainability Unit	<ul style="list-style-type: none"> ▪ Promotes the integration of ESG principles in the Group’s strategy; ▪ Ensures that all the initiatives undertaken by the various players in performing their duties are in line with the Group’s ESG strategy; ▪ Responsible for drafting and monitoring the Sustainability Plan, the ESG objectives and all the official Sustainability reports; ▪ Supervises the implementation of commitments deriving from national and international Sustainability and ESG initiatives, and oversees their monitoring and related disclosures (e. g. NZBA, PRB, etc.;

- Supports the Chairperson and the CEO in sustainability and ESG matters as part of the management of the dialogue with shareholders and investors;
- Promotes a culture of sustainable development within the company.
- Coordinates and guides activities related to Stakeholder Engagement;
- Prepares and finalises, for subsequent submission to the Chief Executive Officer and the Board of Directors, the Double Materiality Assessment and the Sustainability Report, as part of the annual preparation of the Financial Report.

Corporate Control Functions ▪ According to their respective areas of competence, they develop risk assessment, measurement and management methodologies, in line with the Sustainability strategies and actions included in the Sustainability Plan.

Corporate Functions of the Parent Company and of the Group Companies ▪ Implement the relevant Sustainability Plan actions and contribute to their monitoring;

▪ Contribute to the development of a Sustainability-driven culture, the definition of Sustainability strategies and policies, and the Sustainability Plan;

▪ Contribute, within their remit, to Stakeholder Engagement activities, the Double Materiality Assessment, and the preparation of the Sustainability Report;

▪ Supervise the Sustainability risks falling under their competence;

▪ Promote the integration of ESG principles in processes, procedures, and IT systems.

4 - THE LEGISLATIVE AND REGULATORY FRAMEWORK

Over the last few years, legislators have acted on the initiatives of the European and international organizations, introducing increasingly rigorous Sustainability and ESG regulations, with the goal of translating the EU strategies into concrete actions and helping to achieve the goals of the Paris Agreement.

In defining the issues relevant to the development of a sustainable business model, the Group is guided by and takes into account applicable legislation, sectoral regulatory guidelines and the principles of voluntary initiatives to which it is a signatory, and also takes account of:

- **External regulations** (European regulations, national laws and decrees, regional laws, etc.);

- Voluntary initiatives adopted by the Group.

A description of the Group's voluntary initiatives follows:

- The **Net-Zero Banking Alliance (NZBA)**: an initiative promoted by the UN, aiming to accelerate the sustainable transition of the banking sector. It requires participating banks to commit to aligning their lending and investment portfolios to achieve the zero emissions goal by 2050, in line with the targets set by the Paris Agreement.
- The **6 Principles for Responsible Banking (PRB)**: an initiative promoted by the UN (specifically the United Nations Environmental Programme Institute – UNEP FI), and signed by the Group in September 2019, committing it to adopt strategies and practices that contribute to the creation of a sustainable banking system and generate a positive impact on society.
- The **Sustainable Development Goals (SDGs)**: as a result of its commitment to the PRB, the Group's commitment to the SDGs requires it to align its business strategies, projects and policies with the goals of the 2030 Agenda.
- The **10 Principles of the UN Global Compact**: signed by the Group in 2002, they encourage businesses to promote sustainable growth in the interests of all stakeholders.
- The **Women in Banking Charter**: promoted by the Italian Banking Association (ABI), it has the aim of promoting equal treatment and opportunities between genders in the banking sector.
- The **Corporate Governance Code**: issued by the Italian Stock Exchange in 2020, it introduces the pursuit of "Sustainable Success" as the primary long-term objective of the Administrative Bodies, emphasizing their leading role in defining strategies and the direction of activities.

5 - GLOSSARY

Banking Taxonomy Ratio (BTAR)	Book Alignment	The Banking Book Taxonomy Alignment Ratio (BTAR), which is to be disclosed only under Pillar 3 and on a voluntary basis, extends the GAR (see definition in the Glossary) by including in the numerator taxonomy-aligned exposures to non-financial corporates not covered by the CSRD (i.e. SMEs and non-financial corporates outside the EU).
Data Point		In the context of the CSRD (Corporate Sustainability Reporting Directive) and the ESRS (European Sustainability Reporting Standards), the term “ <i>data point</i> ” refers to specific qualitative and quantitative pieces of information that companies are required to collect and include in their Sustainability Reporting in order to comply with reporting obligations.
Diversity & Inclusion		The term diversity refers to an organisation’s attention to the differences among its people: from background, to disability, gender and physical characteristics (age, colour). The term inclusion, on the other hand, refers to an organisation’s commitment to involve all its people in its activities, regardless of their differences.
Climate-changing emissions	GHG	Emissions of climate-changing greenhouse gases contribute to global changes in the planet’s climate. Directive 2003/87/EC on the Emission Trading Scheme (ETS) provides a methodology for calculating these emissions. The Greenhouse Gas Protocol standard also provides a classification of climate-changing emissions into Scope 1, Scope 2 and Scope 3. Specifically: <ul style="list-style-type: none"> - Scope 1 - direct emissions from sources owned or controlled by an organisation; - Scope 2 – emissions from the consumption of purchased energy; - Scope 3 - indirect emissions from activities generated by the organization’s operations but are not under its direct control.
ESG		The acronym ESG (Environment, Social, Governance) refers to non-financial criteria related to: <ul style="list-style-type: none"> ▪ Environmental impact (E), ▪ Respect of social values (S) ▪ Practices of good governance (G). Specifically, ESG can be defined as a set of criteria for measuring and standardising an organisation’s environmental, social and governance activities.

ESG risk factors/ESG risks	<p>From the banking system’s point of view, ESG risk factors are environmental, social and governance-related issues that can generate financial losses (reputational, business, etc.) through certain transmission channels.</p> <p>From this perspective, ESG risks are not risks in their own right, but rather factors that affect “traditional” risks (operational, reputational, credit, market risks, etc.) and potentially influence their manifestation in terms of financial impacts.</p>
Products framework	<p>The Bank’s internal guidelines for the design and use of ESG financing products for corporate clients, enabling the Bank and the companies themselves to pursue a sustainable transition path and achieve decarbonisation targets in line with the Paris Agreement. These guidelines are in line with the LMA²¹ and ICMA²² guidelines on Green Loans and Sustainability Linked Loans.</p>
Green Asset Ratio (GAR)	<p>The Green Asset Ratio (GAR) is a Key Performance Indicator (KPI) that quantifies EU taxonomy-aligned assets (numerator) as a percentage of total covered balance sheet assets (denominator). Banks will be required to publish their GAR from 1 January 2024.</p> <p>The objective of the regulator in introducing the GAR is to provide an easily understandable KPI that stakeholders - customers, investors and supervisory authorities - can use to assess, measure and compare the alignment of portfolios with the Taxonomy and thus the sustainability of banks at a given point in time.</p>
Greenwashing	<p>It is a neologism derived from the words green (i.e., ecological) and whitewash (to cover up, hide). The term refers to the tendency of many companies that claim to be environmentally sensitive and committed to environmentally sustainable operational processes through practices that appear to be green, but which aim to divert attention from the fact that business activities are not actually green at all.</p>
Materiality Risk Assessment	<p>The Bank’s internal analysis to calculate the impact of climate and environmental risks on the context in which it operates, in the short, medium and long term, in order to make informed decisions at a strategic and operational level.</p>
Double Materiality Assessment	<p>The Double Materiality Assessment is a key concept introduced by the CSRD (Corporate Sustainability Reporting Directive) to guide companies in sustainability reporting. It is based on two complementary perspectives:</p>

²¹ LMA - Loan Market Association

²² ICMA – International Market Association

1. Impact Materiality – an “inside-out” approach; this dimension assesses how the company’s activities affect the environment, society, and the economy, including both direct and indirect impacts along the entire value chain.

2. Financial Materiality – an “outside-in” approach.

This perspective considers how environmental, social, and governance (ESG) matters affect the company itself, in terms of risks and opportunities that may influence economic value, financial performance, or organizational resilience.

The Double Materiality Assessment enables companies to identify ESG topics that are relevant both to external stakeholders and to the company’s economic sustainability, including for the purposes of sustainability reporting. It also supports companies in developing a sustainability strategy integrated with the business and in enhancing transparency regarding their ESG risks and impacts.

Sustainability Plan

The Sustainability Plan outlines project initiatives and actions with defined deliverables, timelines and responsibilities to achieve the objectives set out in the Group’s sustainability strategies. It is periodically reviewed in line with the evolution of the strategy and the external context.

Sustainability Reporting

Starting from the 2024 financial year, the Consolidated Sustainability Report, prepared in accordance with Legislative Decree No. 125/2024, in compliance with the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), is included in the Sustainability Reporting section of the Annual Financial Report.

This section discloses information on the Group’s ESG strategy, as well as the actions, policies, and targets relating to ESG topics considered relevant to the Group’s business and to its stakeholders, based on the results of the Double Materiality Assessment.

Transition Risk

Transition risk is the financial loss that a company may directly or indirectly incur as a result of the process of adapting to a low-carbon and more environmentally sustainable economy.

Physical Risk

Physical risk refers to the financial impact of climate change, which includes extreme events (e.g., floods, landslides, storms, droughts, etc.), gradual climate change and environmental degradation (e.g., sea level rise, desertification, air pollution, water pollution, soil pollution, water stress, etc.). This risk can manifest itself, for example,

in physical damage to collateral (e.g. devaluation of collateral), to loans or to the production facilities of the financed companies, leading to a deterioration in the quality of loans or even insolvency, through the impact on the value of collateral or on the productivity of companies, or indirectly through events such as disruption of the production chain.

Sustainability and Sustainable Development According to the 1987 Brundtland Report (“Our Common Future”), Sustainable Development is defined as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs”, thus reconciling economic development with the protection of environmental and social wellbeing.

Stakeholder Engagement Stakeholder engagement is a process of involving and maintaining dialogue with stakeholders who are affected by or have an interest in the company’s activities, decisions, and policies (e.g., customers, employees, investors, communities, authorities). Its purpose is to collect valuable input for assessing the company’s impacts and to obtain feedback on the conclusions of the Double Materiality Assessment.

Sustainable Success In the Code of Corporate Governance, issued by the Italian Stock Exchange in 2020, it is defined as “the objective that guides the actions of the Board of Directors and that consists of creating long-term value for the benefit of the shareholders, taking into account the interests of other stakeholders relevant to the company”.
