



GROUP ANTI-CORRUPTION GUIDELINES

- EXTRACT -

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INTRODUCTION

The Intesa Sanpaolo Group (hereinafter the “Group”) is committed to fighting corruption in all its forms, where corruption refers to the offering or acceptance, directly or indirectly, of money or other benefits capable of influencing the receiver, in order to induce or reward the execution of a function/activity or the omission thereof. It therefore covers both “active corruption” (offering) and “passive corruption” (acceptance), and the case that a public body is involved (“public corruption”) as well as relations between private individuals (“private corruption”), whether corruption that is aimed at performance of an act that is a breach of one’s own official duties (“direct corruption”) or that which has as its purpose the performance of an act by one’s office (“indirect corruption”), whether “pre-existing corruption” or that which is “subsequent” to performance of the office duties.

The Guidelines are to be respected by the corporate officers and all the personnel of the Group. Also required to observe the principles contained in this document, if applicable, are the external stakeholders (suppliers, agents, consultants, professionals, business partners, self-employed or quasi-employees, etc.) that assist the Group in the execution of its activities (hereinafter “third parties”).

The Guidelines are periodically reviewed on an annual basis, and any amendments are submitted to the Board of Directors for approval, upon review by the Risk and Sustainability Committee and the Management Control Committee.

1 REGULATORY FRAMEWORK

1.1 External Regulations

The approach to combating corruption by the Group is guided by the fundamental principles contained in the applicable conventions as well as international best practices. In this framework the following references are of particular importance:

- Organization for Economic Cooperation and Development (OECD), “Convention on Combating Bribery of Foreign Public Officials in International Business Transactions”, 1997 and related “Recommendation of the Council for Further Combating Bribery of Foreign Public Officials in International Business Transactions” last edition 2021;
- United Nations Organization “Convention Against Corruption”, adopted by Resolution 58/4 of 31 October 2003;
- Council of Europe, “Criminal Law Convention on Corruption” and “Civil Law Convention on Corruption”, 1999;
- European Union, “Council Framework Decision 2003/568/JHA of 22 July 2003 on combating corruption in the private sector”;
- The Wolfsberg Group, “Wolfsberg Anti-Corruption Guidance”, 2023;
- International Chamber of Commerce, “ICC Rules on Combating Corruption”, 2011;
- Transparency International, “Business Principles for Countering Bribery, a Multi-Stakeholder Initiative led by Transparency International”, 2013;
- G20 Anti-Corruption Working Group, “Anti-Corruption Action Plan” 2022-2024, 2021;
- International Organization for Standardization (ISO), ISO standard 37001:2016 Anti-bribery management systems.

Guidelines expressed by international working groups and authorities dedicated in various capacities to the prevention of corruption are also taken into account, including:

- Group of States against Corruption (GRECO) – European Council;
- Working Group on Bribery in International Business Transactions – OECD;
- National Anticorruption Authority – Italy;

- Department of Justice – USA;
- Serious Fraud Office – United Kingdom;
- Agence Française Anticorruption – France.

The approach adopted also takes into account specific Italian legislation and in particular:

- Law no. 190 of 6 November 2012;
- Articles 318 “Bribery relating to the exercise of duties”, 319 “Bribery relating to an act contrary to official duties”, 319-ter “Bribery in judicial proceedings”, 319-quater “Illegal influence to giving or promising benefits”, 322 “Incitement to Bribery”, 346-bis “Trafficking of illegal influences” of the Criminal Code;
- Articles 2635 “Corruption among private individuals” and 2635-bis “Instigation to corruption among private individuals” of the Italian Civil Code.

1.2 Internal Regulations

This document also is part of the broader body of Group regulations in which the following are highlighted as related regulations:

- the Group Code of Ethics
- the Group Internal Code of Conduct
- the Organisational, Management and Control Model adopted by each Company pursuant to Legislative Decree 231/2001
- the Group Compliance Guidelines;
- the Administrative and Financial Governance Guidelines;
- the Group Procurement Guidelines
- the Group Rules on Internal Systems for Reporting violations (Whistleblowing).

2 GUIDING PRINCIPLES

2.1 General principle of “Zero Tolerance”

The Group carries out its activities with the aim of providing banking and financial services to its customers while observing the value of integrity, which is in turn applied to the principles of professionalism, diligence, honesty, fairness and responsibility. In line with these principles - and in keeping with the values and restrictions contained in the Group Code of Ethics, the Group Internal Code of Conduct and the Organisational, Management and Control Model adopted pursuant to Legislative Decree no. 231/2001 - the Group:

- shall not tolerate any kind of corruption, in any manner, shape or jurisdiction in which it should occur, even if such activities were to be possibly accepted, tolerated or not challenged in accordance with the regulations in the countries where the Group operates;
- shall not tolerate any conduct which has as its object the offer or acceptance of money or other benefit - directly or indirectly - with the aim of inducing or rewarding the performance of a task/activity or omission thereof. Such conducts are not tolerated even by reference to payments of small amounts in order to accelerate, promote or ensure the execution of a routine activity or one otherwise provided within the scope of the duties of the recipient (known as Facilitation Payments). Among the benefits that can't be granted are, for example, presents and services given free of charge (except for those provided as gifts, entertainment expenses and charities), the undue hiring of a person, the disbursement of credit under terms not compliant with the principles of sound and prudent management and, more generally, all transactions involving the generation of a loss for the Group and creating a profit for the recipient (e.g. unjustified cancellation of a debt position and/or applications of discounts or conditions which are not in line with market parameters).

Group personnel who are the recipients of, or become aware of, a request or offer of money or other benefits, formulated by anyone, aimed at fulfilment or omission of a function/activity, must immediately report it to their direct superior; the latter in turn has an obligation to transmit the report received to the Company's Anti-Corruption Manager and to the Internal Auditing Department for appropriate evaluation of the case. It retains the possibility to use the reporting systems required by "Group rules on internal systems for reporting violations (Whistleblowing)" and the Organisational, Management and Control Model pursuant to Legislative Decree no. 231/2001.

The Group's personnel who are involved in a corrupting act or facilitate conduct or act in a manner not in compliance with legal provisions and/or these Guidelines, shall be subject to disciplinary action as provided for by the rules and contractual provisions governing the specific employment relationship. The type and extent of the penalties are defined, in accordance with applicable legislation, by taking into account the degree of carelessness, unskilfulness, negligence, fault or intent of the behaviour linked to the action/omission, while also taking into account any recidivism, as well as the work performed by the person concerned and their functional position, together with all the other special circumstances that may have characterised the act.

Similarly, with reference to external parties, the Group shall end any kind of relationship with third parties which - in their relations with the Group companies - act in violation of the legislation on the fight against corruption, including these Guidelines, as required by specific clauses included in contracts, without prejudice to reserving the right to seek compensation if such conduct should cause material damage to the Group.

Any violations by components of administrative or control bodies within the Group companies are analysed by the membership body in order to undertake initiatives deemed appropriate in relation to this case, in accordance with local regulations.

The penalty system is independent of the commencement, conduct and definition of any possible criminal prosecution, because the principles and rules set out in these Guidelines have been defined by the Group independently from any criminal offences that the prohibited conduct may determine.

2.2 Areas at greatest risk

The Group identifies, within the scope of its activities, the 'Areas at greatest risk' for which it deems necessary to include appropriate managerial and organisational safeguards, specifically aimed at preventing corruptive acts. The Areas at greatest risk are defined considering the principles contained in international conventions and best practices in the matter and are periodically updated, according to the approach advocated by the ISO 37001:2016 standard, also on the basis of the findings of the annual corruption risk assessment.

The following are considered to be Areas at greatest risk:

- gifts and entertainment expenses;
- charity donations and sponsorships;
- relationships with suppliers and others who collaborate with the Group;
- purchase, management and disposal of investments and other assets;
- hiring of staff;
- purchase, management and sale of real estate.

The credit process is not considered an Area at greatest risk, since the risk of granting loans on terms that do not comply with the principles of sound and prudent management is monitored by the system of credit activity controls.

In the Areas at greatest risk, in order to ensure the implementation of the general principle of “zero tolerance” against corruption, all Group companies in Italy and abroad must follow, in the management of operational processes, the following general rules:

- separation of duties by adequately allocating responsibilities and establishing appropriate authorisation levels in order to avoid functional overlaps or operating allocations that concentrate activities on a single person;
- clear and formalised allocation of powers and responsibilities, expressly indicating the limits of those powers and consistent with the duties assigned and positions covered within the organisational structure;
- appropriate procedures for performing the activities;
- traceability of the acts, operations and transactions through an appropriate paper or electronic trail;
- decision-making processes linked to preset objective criteria (e.g.: the company keeps registers of approved suppliers, objective staff assessment and selection criteria are in place, et cetera);
- control and supervisory activities on company transactions are in place and traceable.

For effective anti-corruption activities it is also essential to respect the administrative and accounting procedures and those relating to internal controls regarding financial flows, so as to ensure that payments and transactions are accurately recorded and reflected in the books and records of the company concerned. To this end, the Group has defined organisational rules and controls as well as specific Administrative and Financial Governance Guidelines, to ensure a true and fair view of the equity, economic and financial results from management operations.

2.2.1 Gifts and entertainment expenses

The Group does not tolerate the use of free gifts and representation expenses in order to influence the independence of judgement of the recipient or in any way induce them to confer favours and, therefore, it is forbidden:

- to distribute gifts, promise or grant benefits of every kind that can be interpreted as exceeding the normal practice of commercial and/or institutional courtesy, or as a means used in order to obtain favourable treatment in the performance of any function and/or activity connected with the Group;
- to accept for themselves or for others any gifts exceeding a modest value or any other benefit that falls outside the ordinary practice of commercial and/or institutional courtesy or otherwise is aimed at compromising independence of judgement and fair practice.

Acts of commercial and/or institutional courtesy of modest value refers to gifts or any other benefits (e.g. invitations to sporting events, shows and entertainment, free tickets, etc.), coming from or destined to the same person/institution, that do not exceed the value of €150 in a calendar year. Any gifts or other benefits exceeding the value of €150 may be permissible in exceptional cases, taking into account the profile of the donor and/or recipient as well as the nature of the gift itself¹, and in any event within reason, with authorisation from their hierarchical superior at least equivalent to Head Office or Regional Department or equivalent from the corporate structure.

The amount limits set on an annual basis for gifts and other benefits shall not apply to entertainment expenses related to events and forms of welcome and hospitality (including lunches, receptions and dinners), which involve the participation of corporate officers and staff of the Group, as long as they are strictly related to business or institutional relationships and are reasonable with respect to commonly accepted practices.

¹ By way of example, this includes situations in which gifts are components of offers with a predominantly professional content, such as invitations to conferences and seminars.

Under no circumstances may gifts consist of money or similar instruments (such as gift cards and vouchers). The gifts and other benefits distributed by the Group to the same person/entity must be reconciled as far as possible to company standards (branded gifts, gift catalogue).

In any case, the following minimum standards must be observed:

- gifts and entertainment expenses must be covered by specific internal regulations governing the roles, responsibilities and spending entitlements;
- gifts and entertainment expenses must be properly monitored (with indication of their nature and purpose, recipient, type and value of gift/expense, authorisation if necessary); monitoring is not required in the case of gifts or other benefits received by corporate officers or employees of the Group coming from the same person/institution which do not exceed the value in a calendar year of €150.

2.2.2 Charity donations and sponsorships

The Group does not use charity donations and sponsorships aimed at obtaining favourable treatment and thus, in such activity, works in a transparent and accountable manner, by adopting procedures to prevent potentially corruptive conduct.

In any case, the following minimum standards must be observed:

- charity donations and sponsorships must be covered by specific internal regulations governing the roles, responsibilities and spending entitlements;
- disbursements by way of charity donations or sponsorship may only have as beneficiaries those institutions properly constituted in accordance with the law and whose activities are not contrary to the ethical principles of the Group; in the case of charities, such institutions may not be for-profit;
- any sponsorship initiatives may not simultaneously be subject to disbursements as charity donations;
- likewise, no charitable contributions or sponsorships may be given to political parties and movements and their subsidiary organisations, trade unions and welfare associations (patronati), clubs (e.g. Lions, Rotary, et cetera), recreational associations and groups, private schools, private schools legally equivalent to public schools and/or legally recognised schools, except for particular initiatives of special social, cultural or scientific value; which must be approved by the company's Anti-Corruption Manager;
- due diligence must be carried out on the beneficiary institution aimed at:
 - analysing the type of institution and the purpose for which it was created;
 - checking the reliability and reputation of the beneficiary institution, with particular attention to criminal records and/or charges;
 - verifying whether the beneficiary institution meets the requirements for operating in accordance with the provisions of applicable law;
 - identifying any other corruption risks, such as possible situations of conflict of interest, which may be associated with the beneficiary;
- the beneficiary institution must formally commit to respect the applicable anti-corruption legislation and the principles contained in these Guidelines;
- all disbursements must be approved by the units that are empowered/authorised for this purpose, in accordance with the current system of powers and delegation;
- disbursements may be recognised only on a current account held by the beneficiary institution; it is not permitted to make payments in cash, in a country other than that of the beneficiary institution or to a party other than the same;
- monitoring must be ensured of the initiatives and the archiving, including telematic or electronic format, of all the documentation relating to the obligations undertaken within the framework of the management of charity donations and sponsorships (nature and purpose, checks carried out, approval process, mode of disbursement), so as to allow reconstruction of the related reasons and responsibilities.

Such standards also apply in the case of membership, made with the intent of donation, in foundations, associations and other non-profit organisations, involving the disbursement of funds or future commitments in this respect. Due diligence is performed prior to membership and periodically updated. Trade associations and bodies to which the Group affiliates for its own operational interests are excluded.

2.2.3 Relationships with suppliers and others who collaborate with the Group

The Group establishes relationships with suppliers, agents, consultants, professionals, business partners, the self-employed, quasi-employees or other parties who shall assist the Group for the implementation of its activities (including social initiatives) – on the basis of assessments of professionalism, competence, competitiveness and integrity, and acts with the utmost fairness in these relationships, adopting procedures aimed at preventing potentially corrupting conduct.

In any case, the following principles must be observed:

- the start of the relationship must be preceded by due diligence aimed at:
 - identifying, in the case of companies, the chain of control, its beneficial owners and persons who perform management and control activities as well as its economic/financial situation;
 - checking the reliability and reputation of the third party, with particular attention to criminal records and/or charges; in the case of companies, legal entities and associations, the check must be made with respect to their beneficial owners and those who perform management and control activities;
 - determining the capabilities and experience required for the execution of the contract;
 - verifying whether the third party meets the requirements for operating in accordance with the provisions of applicable law;
 - identifying any other corruption risks, such as possible situations of conflict of interest, which could be associated with the third party;
- the contract that governs the relationship must contain a commitment from the third party to comply with the applicable anti-corruption legislation and the principles contained in the present Guidelines, with the Group being entitled, in the event of default, to demand early termination of the relationship and compensation for any damage;
- the contract that governs the relationship must contain a commitment from the third party to report to the Company's Anti-Corruption Manager any request for money or other benefits, received by the third party, by whoever made, or of which it has become aware, aimed at the performance or omission of a function/activity in relation to the performance of the contract;
- payments must be made exclusively on an account held by the third party account holder which preferably should be opened with a Group bank. In the event of opening accounts with the Group, the due diligence obligations relating to the chain of control, the beneficial owners, the persons that perform management and control activities and the reputation of the third party as defined above, are considered to be waived;
- it is not permitted to make payments in cash or payments in a country other than that where the third party is based or to a party other than the latter.

As regards the purchasing procedures of goods and services and the assignment of professional duties (e.g. legal, tax, technical, labour law, administrative, organisational consulting, brokerage, agency or other similar mandates, etc.), the following additional minimum standards must be met:

- procurement processes for goods, services and professional services must be covered by specific internal regulations governing the roles, responsibilities and spending entitlements;
- approval of the purchase request, supplier selection, conclusion of the contract and issue of the order shall be exclusively carried out by persons specifically empowered under the existing power and delegation system,

- the choice of the suppliers of goods and services and of freelance professionals is made from lists of suppliers selected on the basis of criteria identified in the internal set of rules, through a tender or otherwise through the acquisition of additional offers; internal regulations identify in which cases it is possible to depart from this principle due to specific needs and with justified reasons (such as specific consulting assignments and legal services); due diligence process is mandatory anyway;
- any subcontracting of supplies of services/activities to third parties shall be contractually conditional on prior approval by the Bank structure which signed the contract;
- to authorise the payment of the invoice/parcel is up to the individuals vested with the relative spending authority and must be supported by a certificate regarding the quality of the supply/performance of the contractual terms and the consequent adequacy of the amount requested; in any case it is not permitted to make payments that are not adequately justified in the context of the contractual relationship;
- the activities relating to the different phases of the process must be carried out by different and clearly identifiable persons, and must be supported by a maker and checker mechanism;
- the monitoring of activities must be guaranteed (with particular reference to the rationale for the selection of the supplier of goods and/or services or the professional as well as the relevance and adequacy of expenditure) as well as the archiving, including telematic or electronic format, of all documentation inherent to the obligations undertaken within the framework of the process of procurement of goods, services and professional services, in order to allow the reconstruction of the reasons for the choices and the related responsibility.

The possible use by the Group of third parties who, connecting the Group with potential or existing customers, promote the development of the Group's activities (so-called "Business Introducers" or "B.I."), within the scope of banking, financial and insurance services, is subject to the following additional minimum precautions:

- the engagement of a B.I. is anticipated by the latter's formulation of a specific plan/proposal in which the types/geographical areas/sectors of customers to be reached must at least be indicated;
- the relationships between the Group and the B.I. must be regulated by written contracts which, in addition to what is necessary for third parties generally, envisage the right for the Group to terminate the relationship in advance also
 - with immediate effect in the event of a well-founded suspicion, based on negative reputational evidence or the conduct of the B.I., that the B.I. may engage in corrupt conduct; or
 - at the sole initiative of the Group ("ad nutum") with a notice period not exceeding one quarter;
- the signing, renewal or amendment of contracts must be approved by a senior manager or by a specific committee of the concerned Group company, which must keep an orderly track of the B.I., indicating the volume of business procured and the remuneration paid
- the due diligence generally required in respect of third parties is renewed at least annually for B.I.;
- remunerations may be paid at the times, measures and conditions provided for in the contracts, without any possibility of derogation;
- where the reimbursement of expenses incurred by the B.I. is contractually agreed, this may only take place upon presentation of complete and clear supporting documentation of the expenses reasonably incurred;
- the establishment of relationships with customers is preceded by the preliminary checks and assessments required by the regulations applicable to the Group entity in relation to the types of customers; such checks and assessments may not be delegated, not even in part, to the B.I..

For the purposes of these Guidelines, entities that engage in business development or placement of Group products/services and that are subject to specific disciplines or forms of supervision in their own jurisdictions are not considered Business Introducers².

In the event of proven necessity and in the presence of situations characterised by limited risks of corruption, the Group Head of Anti-Corruption may authorise exceptions, adequately motivated and tracked, to the provisions concerning contractual clauses, as well as due diligence with regard to specific suppliers.

As a further preventive measure, the Group aims at staff rotation in relations with third parties in areas where the risk of corruptive acts is particularly sensitive,

2.2.4 Purchase, management and disposal of investments and other assets

The Group does not tolerate non-transparent behaviour, designed to obtain or grant preferential treatment, as part of the purchase, management and disposal of investments (direct or indirect, qualified or unqualified in the share capital of other companies and other forms of investment similar) as well as other assets (for example non-performing loans, business units, assets and legal relationships identified as a block). This principle, in particular, affects the following areas:

- examination of the feasibility of the transaction and/or identification of business opportunities;
- management of pre-contractual relationships and performance of activities preliminary to the signing and execution of contracts;
- management of procedures linked to the purchase, management and sale of investments and other assets.

In any case, the following minimum standards must be observed:

- processes for the purchasing, management and sale of investments and other assets must be covered by specific internal regulations governing the roles, responsibilities and spending powers;
- appropriate levels of authorisation must be assigned, with the identification, within the power and delegation system, of parties who can exercise the authorisation and/or negotiating powers in the pre-contractual, contractual and management stage of relationships;
- due diligence must be carried out on investment enterprises and the counterparty, according to criteria similar to those adopted for third parties;
- the activities relating to the different phases of the process must be carried out by different and clearly identifiable persons, and must be supported by a maker and checker mechanism;
- monitoring of activities must be guaranteed as well as the archiving, including telematic or electronic format, of all the documentation in order to allow reconstruction of the related reasons and responsibilities.

In the event of proven necessity and in the presence of situations characterised by limited risks of corruption, the Group Head of Anti-Corruption may authorise exceptions, adequately motivated and tracked, to the above provisions for transactions involving financial instruments on markets that are considered active and liquid.

2.2.5 Hiring of staff

The Group provides for the adoption of staff hiring methods based on fairness and excluding any favouritism. In this context, the Group operates in a transparent and documented manner, by adopting procedures to prevent potentially corrupting conduct.

² In Italy, for example, Banks and other intermediaries placing investment products, Financial Advisers, Agents in Financial Activities, Credit Brokers, Insurance Intermediaries.

In any case, the following minimum standards must be observed:

- the recruitment process must be subject to specific internal regulations governing the roles, responsibilities and spending powers;
- the recruitment process must be centralised within a dedicated unit, which assesses the needs of the requesting units in line with the budget and internal development plans,
- the selection must be made from a list of potential candidates, except for qualified specialist personnel, protected categories, or of figures destined to managerial positions;
- the selection shall be supported by the collection, including by electronic means or otherwise, of standardised homogeneous information, required to define the profile of each candidate;
- the comparative assessment of the candidates must be made on the basis of skills, professionalism and experience in relation to the role for which recruitment is taking place;
- recruitment shall be preceded by due diligence aimed at:
 - checking the reliability and reputation of the candidate, with particular attention to criminal background and/or charges against such persons;
 - identifying any other corruption risks associated with the candidate, such as any conflict of interest situations;
- appropriate levels of authorisation must be assigned, with the identification, within the power and delegation system, of personnel expressly empowered to authorise the hires, including in relation to the importance of the position within the organisation;
- the activities relating to the different phases of the process must be carried out by different and clearly identifiable persons, and must be supported by a maker and checker mechanism;
- monitoring of activities must be guaranteed as well as the archiving, including electronically or otherwise, of all the documentation relating to the obligations undertaken within the framework of the personnel selection and recruitment process (CV, application form, contract of employment, etc.), so as to allow the reconstruction of the reasons for the choices made and the related responsibility.

2.2.6 Purchase, management and sale of real estate

The Group adopts transparent property management methods that mitigate the risk of preferential treatment. This principle, in particular, affects the following areas:

- identification and selection of investment or disinvestment opportunities;
- acquisition, management and sale of properties;
- lease management/ loans for use contracts.

As part of these activities, the Group expressly disclaims any conduct that involves the promise, granting or acquisition of real estate on terms different from those of the market or for the purpose of unduly favouring the pursuit of personal interests or the Group interests or which could otherwise be seen as corrupting conduct.

In any case, the following minimum standards must be observed:

- the processes of purchasing, management and sale of real estate as well as lease management must be covered by specific internal regulations governing the roles, responsibilities and spending powers;
- appropriate levels of authorisation must be assigned, with the identification, within the power and delegation system, of parties which can exercise the authorisation and/or negotiating powers on the acquisition, management and sale of real estate as well as lease management;

- due diligence must be carried out on the other counterparty, according to criteria similar to those adopted for third parties;
- a verification must be made of the fairness of the purchase price of the property as well as the active and passive rent compared to the market value (without prejudice to cases of concession of goods intended for initiatives with social and / or cultural purposes as regulated by specific internal rules), making use - where on the basis of the outcome of due diligence a potential risk of corruption can be discerned - of valuations by independent experts;
- the activities relating to the different phases of the process must be carried out by different and clearly identifiable persons, and must be supported by a maker and checker mechanism;
- monitoring of activities must be guaranteed as well as the archiving of all documentation relating to the obligations undertaken within the framework of the processes of purchasing, management and sale of real estate as well as lease management, including telematic or electronic format, so as to allow the reconstruction of the related reasons and responsibilities.