



CODE OF ETHICS

 **BANCA INTESA**

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OUR VALUES



OUR SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

Nowadays companies are required to take on broader responsibility, which is not limited to the economic effects of their activities. In fact, their functions are increasingly wide-ranging and structured.

In supplying efficient responses to an ever-increasing range of needs, companies must demonstrate their complete awareness of the fact that their production cycles and the ensuing products impact not only consumers, who must certainly satisfy an appropriate economic requirement, but citizens of the society in which they operate as well.

These interests regard preservation of our natural environment, health, work, the future, the well-being of the entire community and protection of the social relations system.

The number of stakeholders with which the company must interact will increase together and in parallel with the range of interests affected by the company's activities.

All in-house and external parties with a stake in the company's business, as a result of contributing – even if in a different and specific manner – to achievement of the company mission, or because their well-being is significantly affected, either positively or negatively, by such business, thus sharing, in one way or another, part of the company risk, should be recognized as stakeholders.

These parties are customers, shareholders and employees, as well as suppliers and even the environment itself – or rather the rights that future generations have in this respect – and, ultimately, society as a whole.

Furthermore, companies find themselves operating more and more frequently in different geographical areas with different regulations. This is why self-discipline is important: in respecting the regulations in force, it establishes higher standards which the company intends to respect in the areas in which it operates.

Intesa Sanpaolo Group has therefore decided to draw up its own Code of Ethics, structured as a true “Charter of Relations” between the Bank and all its stakeholders. It describes the values in which Intesa Sanpaolo believes and to which it is committed, outlining the principles of conduct which derive from the context of the relationship with each stakeholder and, consequently, raising the standards that each person within the Company must maintain in order to merit the trust of all stakeholders.

The values outlined in this Code are the expression of the company cultures and backgrounds from which Intesa Sanpaolo originates and represent, on the one hand, the “lens” through which to observe and interpret the various situations, and on the other, a goal to reach, the end of a path that will characterize our activity over the next few years.

As a governance tool, this Code is part of the broader vision of our social and environmental responsibility and assigns primary importance to relations with our stakeholders. Constructive dialogue with stakeholders triggers a process that activates a cycle of continuous improvement, by listening to requests and balancing them with respect to the company strategy.

By publishing our annual Sustainability Report, together with transparent reporting of what we have achieved, we will highlight the requests emerging from our continuous dialogue with stakeholders and outline our goals and objectives. Ongoing verification of our capacity to provide answers for stakeholders will help us to keep the values set out by this Code alive and incorporate them into our company life.

OUR MISSION

We work to provide quality banking and financial services to our customers and activate ways to promote development in all the areas in which we operate.

Conscious of the value of our activities in Italy and abroad, we promote a style of growth that focuses on sustainable results and the creation of a process based on the trust deriving from customer and shareholder satisfaction, a sense of belonging on the part of our employees and close monitoring of the needs of the community and the local area.

We compete on the market with a sense of fair play and are ready to cooperate with other economic entities, both private and public, whenever necessary to reinforce the overall capacity for growth of the economies of the countries in which we operate.

We take responsibility for prudent savings management, we commit to extending access to credit and financial instruments to everyone, and we support sustainable development of the entrepreneurial system, aware that our decisions have a significant direct and indirect impact on the natural environment and on the community. We want to contribute to the well-being (not only material) of both by supporting and implementing cultural initiatives and projects for the common good.

REFERENCE VALUES AND PRINCIPLES

Our growth strategy aims at creating solid and sustainable values from the economic and financial, social and environmental standpoints, built on the trust of all our stakeholders and based on the following values:



INTEGRITY

We pursue our goals with honesty, fairness and responsibility, in full and true respect of the rules and professional ethics and in the spirit of signed agreements



EXCELLENCE

We set ourselves the goal of continuous improvement, forward thinking, anticipating challenges and fostering creativity aimed at innovation, both recognizing and rewarding merit



TRANSPARENCY

We are committed to making transparency the basis of our actions, advertising and contracts in order to allow all our stakeholders to make independent and informed decisions



RESPECT FOR SPECIFIC QUALITIES

It is our intention to combine large-scale operations with profound local roots and to be a bank with a broad vision, without losing sight of individuals



EQUALITY

We are committed to eliminating all forms of discrimination from our conduct and to respecting differences in gender, age, ethnic origin, religion, political and union persuasions, sexual orientation and identity, language or disability



VALUES OF THE INDIVIDUAL

The value of each single person is a guide for our modus operandi: we use listening and dialogue as tools to continuously improve our relationships with all of our stakeholders



RESPONSIBILITY IN THE USE OF RESOURCES

We aim to use all of our resources attentively, promoting behavior based on resource optimization and avoiding waste and ostentation, and we give priority to choices that take sustainability into account.

PRINCIPLES OF CONDUCT IN STAKEHOLDER RELATIONS



- intent of being a bank that “connects” and not just a sales network;
- ▶ we study the evolution of local economic systems to support enterprises in their strategic decisions and direct the Group’s policies to support the specific financial needs of economic entities operating in a given area or district;
 - ▶ we offer our services not only as suppliers of credit or capital but also as partners for promotion and development;
 - ▶ we work closely with individuals and the community with the aim of promoting the best possible development and supporting social and economic progress, especially in areas that need economic re-launching;
 - ▶ we promote initiatives with a high social value, also in partnership with specialized local operators;
 - ▶ we develop multi-channels to favor accessibility to our services.

Socially responsible investments

It is our belief that in investments evaluation always more weight must be given to ESG (Environmental, Social, Governance) criteria in order to promote balanced and sustainable development. We offer our customers the opportunity to choose products managed according to ethical, social and environmental principles both to improve their risk/yield profile and to activate a process involving the progressive sensitization of customers and the commitment of companies to sustainable behavior:

- ▶ we extend our offer with ethical investment instruments;
- ▶ we undertake, as part of our ethical asset management activities, to express our position regarding the decisions of companies in which we invest our assets (active shareholding).

Security and Safety

We believe that protecting the security of our customers, as well as their assets and confidential information, is not only a primary duty but also the basis of the trusting relationship that we wish to maintain with them. Therefore, we:

- ▶ undertake to protect persons, their assets and valuables, as well as their wealth of information and internal organizational processes in such a way as to provide a service that fully satisfies the requirements of reliability, continuity and confidentiality;
- ▶ guarantee constant compliance with the law;
- ▶ observe criteria of absolute transparency in informing our customers about their rights to privacy and the way in which we handle their personal information.

Assessment of social-environmental risk

We believe that our investment decisions and credit policies must also take into account social-environmental risks inasmuch as a business that produces economic value can be sustainable only if it does not simultaneously destroy social or environmental value; therefore, we:

- ▶ comply with national and international protocols for compliance with social and environmental standards;
- ▶ exclude financial relationships which support economic activities that contribute, even indirectly, to the violation of basic civil rights, that hinder human development, or that severely damage the health of persons or the environment;
- ▶ promote peaceful coexistence and avoid providing financial support to economic activities that might jeopardize it;
- ▶ give priority to projects having high environmental and social value.

PRINCIPLES OF CONDUCT IN SHAREHOLDER RELATIONS

The Intesa Sanpaolo Group has adopted the one-tier governance system in which the functions of management and control are carried out by a Management Board. Some of its Members are also part of the Management Control Committee.

When outlining the new governance, we took into account the guidelines contained in the Code of Conduct of listed companies promoted by Borsa Italiana S.p.A (the Italian Stock Exchange), with which the Intesa Sanpaolo Group complies voluntarily.

The Intesa Sanpaolo Group pursues principles of good governance in the operating rules of the Corporate Bodies and behavior of directors and management.

Equality

- ▶ We act in such a way that the value of all shareholders' capital invested in Banca Intesa Beograd is protected and increased in a sustainable manner;
- ▶ we guarantee equal information and the utmost attention to shareholders, without any discrimination or preferences;
- ▶ we believe that the Shareholders' Meetings represent a good opportunity to establish a successful dialogue, in compliance with the principle of fair information and regulations regarding price-sensitive information. In this regard, the Bank encourages the widest possible participation in Shareholders'

Meetings and ensures that voting rights are exercised correctly;

- ▶ the Chairman of the Board of Directors presides over and guides the Shareholders' Meetings and guarantees the rights of all shareholders.

Transparency on the market

All the financial communications of the Intesa Sanpaolo Group, as well as those submitted to the Supervisory and Control Authorities, both domestic and international, are based on the transparency, thoroughness and timeliness of the information, as well as on full respect for the law and the self-governance codes adopted:

- ▶ we guarantee timely and transparent communication to shareholders and to the financial community in general, with the intent of providing clear, complete and prompt information on the status of the Bank's implementation of strategies and the results it achieves.
In order to guarantee equal information to all its shareholders and to the various other organizations affected by the Group's trends, information is made available through various channels, including our web site, which publishes, among other things:
 - the annual report and interim reports;
 - our annual corporate governance report;
 - information to shareholders on the terms and formalities required for exercising their rights, such as participation in the Shareholders' Meetings, the collection of dividends, capital transactions, etc.;
 - press releases and presentations of corporate results and strategies to the market;
 - the main corporate documents;
 - figures indicating the trend of securities on the stock market and the shareholders' structure;
 - ratings assigned to the Bank by specialized agencies
- ▶ in accordance with international best practices, we periodically hold meetings and conferences, either by telephone or via Internet, with the financial community, both Italian and international, in

- singularity of the context in which they operate;
- ▶ pay maximum attention to defining our goals, making them easy to understand and share in order to promote proper and transparent behaviors in our relations with customers;
- ▶ set up objective and transparent incentive systems that contemplate realistic attainable goals;
- ▶ make people's work easier by simplifying the products, procedures and forms of communication, and we safeguard their health and safety by adopting increasingly effective measures;
- ▶ promote policies that make the personal and professional lives of all our employees easier by favoring forms of flexibility and carrying out initiatives for the reconciliation of work commitments with private needs, aware that this equilibrium is fundamental in the search for each employee's well-being;
- ▶ assess the performance of those in positions of responsibility taking into account compliance with the ethical principles concerning relationships with employees.

Appreciation and motivation

In our intention to apply fairness, equality and merit in the assessment, rewards, motivation and career development of our staff, we:

- ▶ recognize that the set of relational, organizational and technical skills of each employee is our main strategic resource; we undertake to protect and bring out the best in them because this is a key factor in maintaining sustainable competitive advantages;
- ▶ adopt systems to assess the behaviors, skills, know-how and potential of our employees according to the criteria of transparency, appreciation of merit and respect of diversities, in order to reinforce motivation and give fair rewards to encourage the achievement of excellent results;
- ▶ develop training programs that focus on individual needs in the conviction that listening to the needs expressed by our employees is vital in designing training processes;
- ▶ provide each individual with the conditions to best interpret their roles, favoring the ongoing improvement of their skills, developing their capacity for teamwork and contributing to the achievement of the company's goals;
- ▶ promote the responsible participation of people, always supporting them even during long absences, and ask that they constantly apply themselves in order to feel involved in the group's growth process, through which they too can achieve their own professional growth;
- ▶ ask our people to cooperate in the responsible use of all of the resources they need to do their jobs.

Listening and dialogue

As we believe that listening and dialogue are the foundation of relationships that generate trust, we:

- ▶ promote the strategic role of internal communication to help people to participate with more awareness in the life of the company;
- ▶ base communication on criteria of correctness, completeness, simplicity and transparency;
- ▶ develop instruments for sharing information and promote the discussion of experiences that also favor comparisons and integration among the various territorial entities of the Group;
- ▶ undertake to develop, in those who have positions of responsibility, a specific sensitivity and perceptiveness toward the needs of employees, teaching them to value their suggestions and differences of opinion as opportunities for company growth and improvement.

Cohesion

Cohesion is the distinctive trait of a community of people who work well together and are proud to belong to a large company.

In order to foster and strengthen the spirit of cohesion in all employees within a strong and shared company identity we:

- ▶ explain and spread our values, and continuously check their relevance so that all employees can identify with those values;
- ▶ provide everyone with information on the Group's strategies and goals for the purpose of sharing the elements that characterize our identity;
- ▶ foster, in those holding positions of responsibility, the capacity to act as guides and referees, through actions that are compliant with the company's ethical principles;
- ▶ adopt management and reward policies that acknowledge and appreciate individual and group contributions to the achievement of our goals;
- ▶ envisage forms of co-participation in the company's achievements, even on an economic level;
- ▶ promote initiatives for building solidarity to support colleagues who are going through difficulties and to pursue socially significant goals.

PRINCIPLES OF CONDUCT IN SUPPLIER RELATIONS

Listening and dialogue

We believe that behavior based on listening and sharing ideas with our suppliers fosters the ongoing improvement of those relationships, reinforcing them and generating reciprocal value through:

- ▶ attitudes based on trust that involve the suppliers in an active role and that lead them to promptly report problems that require the identification of a common solution;
- ▶ measuring the level of satisfaction of our suppliers and determining the areas that need improvement, particularly regarding transparency, communication and compliance with terms of payment.

Transparency

We believe that a clear and transparent attitude contributes to maintaining enduring relationships with our suppliers. We are convinced that integrity is a fundamental premise of these relationships and therefore:

- ▶ our choice of suppliers is based on clear and proven criteria through an objective and transparent procedure;
- ▶ we are faithful to company policies that base relationships on maximum honesty, especially in the management and conclusion of contracts, thereby avoiding situations of conflict of interest, even potential ones;
- ▶ in the specific case of professional consultancy, we base our decisions on professional and competence criteria and avoid conflicts of interest, even potential ones;
- ▶ we are committed to publishing our policies on supplier relations;
- ▶ we search for commercial agreements with suppliers that demonstrate their sensitivity to issues of corporate and social responsibility.

Equality

Since it is our belief that a large bank must be able to responsibly manage the position of contractual strength it wields, we:

- ▶ guarantee equal opportunity in the selection of suppliers and commercial partners, taking into account their compatibility with and capacity for the size and needs of our company and favoring the establishment of partnerships with companies both our suppliers and customers;
- ▶ undertake to ensure that contracts stipulated with our suppliers are based on fairness, especially regarding terms of payment and administrative compliance.

- keep a channel of communication open with associations that represent the interest of our stakeholders, with the aim of cooperating in relation to mutual interests and preventing possible situations of conflict;
- inform the associations we consider to be the most representative of our stakeholders and actively involve them in the issues that specifically affect those stakeholders.

Support to non-profit organisations

By acknowledging the role of non-profit organizations in promoting the fair and cohesive development of society, we:

- support non-profit and socially-involved companies and develop partnerships to carry out projects that benefit the community;
- promote the setting up of a network of social companies to carry out initiatives in favor of underprivileged social strata;
- set up and/or participate in non-profit entities, such as foundations and consortia, whose purpose is social utility and community service;
- favour supplementary welfare programmes.

Responsibilities to the global community

Aware of the fact that worldwide economic, environmental and social balance depends on the integration of local factors, we seek to influence the global scenario by:

- giving utmost consideration to the issue of sustainable development each time we have the opportunity to participate in processes that define macroeconomic scenarios;
- orienting the policy of our corporate customers and supporting them in their internationalization processes when they find themselves operating in countries with lower standards of social-environmental protection;
- supporting initiatives for international solidarity.

Support to communities

We determine the needs, material and otherwise, of the community and support them, also through liberal grants and sponsorships:

- in choosing possible areas of intervention, we pay special attention to the observance of our reference values, the merit of the initiatives proposed to us and the importance of the social needs they will satisfy;
- by operating according to transparent and accountable procedures and through formalities that prevent any possible personal or corporate conflicts of interest;
- ensuring that our grants are unrelated to the pursuit of commercial interests;
- valuing and protecting our historical, artistic and cultural heritage, also for the purpose of public fruition.

Relations with institutions

Our institutional relations with the State in its various agencies and with international organizations are aimed exclusively at forms of communication for assessing the implications of legislative or administrative activities regarding the Intesa Sanpaolo Group. We respond to informal requests and trade union inspections (questions and enquiries, etc.), and, in any event specify our position on significant issues, we:

- establish dedicated and authorized channels of communication with all institutional contacts, be they be international, domestic or local;
- represent our interests in a transparent manner;
- adopt specific organizational models to prevent crimes against Public Administration and thereby protect the interests of society and all its stakeholders;
- actively contribute to the initiatives taken by trade associations and business organizations aimed at the growth, stability and fairness of the banking and financial system.

IMPLEMENTATION AND GOVERNANCE



MECHANISMS FOR IMPLEMENTATION, INTERNAL DIFFUSION AND GOVERNANCE

The mechanisms for implementation, internal diffusion and governance described below are aimed at achieving the following goals:

- integration of company strategies, policies and procedures with the ethical principles and values through an uttermost sharing and diffusion of its contents;
- monitoring of the knowledge and awareness of its contents.

Implementation of the Code of Ethics

The Code of Ethics and any future amendments shall be approved by the Board of Directors of the Parent Company and brought to the attention of the competent bodies of the Group's companies for the pertaining determinations.

The Corporate Social Responsibility of the Parent Company is responsible for updating and monitoring the knowledge of the Code.

Internal Diffusion

Procedures for disclosure, participation and involvement

The Code of Ethics is published on the web sites (www.group.intesasampaolo.com and www.bancaintesa.rs) where it can be accessed by customers and interested parties; it is also available in a section of the company's intranet.

A copy of the Code is delivered to each director, employee or external collaborator upon appointment, hiring or at the start of a work relationship.

The values and principles that the Intesa Sanpaolo Group intends to affirm through the Code of Ethics shall be conveyed through training activities aimed at achieving consensus on its contents and providing instruments to raise awareness and knowledge about the mechanisms and procedures for translating the ethical principles into behaviors to be implemented materially in daily activities.

In particular, training courses will be set up with contents suitable to the role of each participant and developed according to a process that will complete their professional training and foster personal growth. Furthermore, Corporate Social Responsibility with regard to specific needs on sensitivity items identified by the Stakeholders, is involved in the design and planning of training initiatives and information campaigns. The culture and values of the Code of Ethics will be developed and spread also through all available internal communication channels.

Governance of Code of Ethics

To ensure the widest implementation of the Code of Ethics Banca Intesa Beograd undertakes to formulate and implement operative policies for each area of activity with high ethical and reputational impact.

In Banca Intesa Beograd there is an internal Group Code of Conduct that, in compliance with the ethical principles and values of the present Code, defines the essential standards of conduct for directors, employees and consultants in implementing and protecting the values of the Code of Ethics.

The model from which the Intesa Sanpaolo Group draws inspiration is based on the self-responsibility of departments that pursue and defend the reputational value of socially responsible behavior.

Each company department develops its actions and activities being inspired by the principles and values of the Code of Ethics. Every department is therefore directly responsible, within its own sphere of influence, for determining and formalizing the goals, as well as the consequent plan of actions and projects, in order to give tangible meaning to the Principles of Conduct that dictate the Bank's behavior in all of its relationships, even in a multi-stakeholder logic.

For the principle of self-responsibility to be effective, heads of Divisions/Offices shall appoint Corporate Social Responsibility (CSR) delegates. They shall operate within the department in question and in a network between departments. They shall also cooperate with the Corporate Social Responsibility of the Parent Company by identifying the social responsibility objectives within their own department, managing, monitoring, and periodically reporting on the projects in progress and maintaining relations with the reference stakeholders.

The above mentioned objectives are declared and monitored as part of the management process that governs the Sustainability Report.

Corporate Social Responsibility

- ▶ On the one hand, monitors the effectiveness of dissemination and information through tools identified each time starting from internal assessments focused on measuring knowledge and awareness highlighting areas of weakness and possible intervention; on the other hand, in case of sensitive ethical and reputational areas provides and shares company's policies and guidelines;
- ▶ supports and advises departments within the company;
- ▶ in agreement with the responsible functions identifies and reports specific indicators to assess the level of achievement of social and environmental goals compared to the commitments undertaken;
- ▶ cooperates with the Human Resources Department in the development and diffusion of the culture and values contained in the Code of Ethics;
- ▶ monitors, with the support of the Internal Auditing Department, the compliance with the principles and values contained in this Code of Ethics, reporting annually to the Management Control Committee and to the Supervisory Body in accordance with Legislative Decree 231/2001;
- ▶ proposes the appropriate changes to make the Code consistent with the current company's situation.

Actions in cases of non-compliance

In cases of non-compliance with this Code, the Intesa Sanpaolo Group shall adopt the appropriate measures based on a constructive approach – in cases other than fraudulent conduct or acts committed by the infringement of specific laws, contracts or regulations – even through training programs to reinforce the sensitivity and attention of individuals regarding compliance with the values and principles declared in this Code.

Reporting cases of non-compliance with the Code of Ethics

Reports of cases of non-compliance with this Code should be sent by email to eticki.kodeks@bancaintesa.rs

The Intesa Sanpaolo Group guarantees that anyone reporting cases of non-compliance in good faith will be protected from any form of retaliation, discrimination or penalization, and ensures maximum confidentiality, except in cases otherwise indicated by law.

