



Group Sustainability Policy

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Drafted by	Group Chief Corporate Strategy & Sustainability Officer	
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1 Introduction

This document (hereinafter the “Policy”) sets out the general principles and guidelines followed by Reale Group in implementing environmental, social and governance (“ESG” - Environmental, Social, Governance) factors in order to maximise shared value creation.

The Policy is part of the Group’s system of policies and regulations and constitutes an integral part of the internal corporate documentation, in line with the principles of the Group Code of Ethics di Group. With regard to sustainability matters, it supplements and specifies the content of documents already adopted by the Group, which continue to apply to matters not expressly governed by this document.

1.1 Document Objectives

The Policy aims to define sustainability guidelines, outlining an internal framework for the systematic integration of ESG factors into strategic, operational and governance decisions.

In line with the above, the Policy aims to:

- systematise the approach and practices to be followed in order to prevent actual and potential negative impacts throughout the entire Value Chain;
- support and integrate the ESG risk identification and management process throughout the entire Value Chain;
- promote sustainable business management by raising awareness on ESG issues;
- guide the Group’s actions towards sustainable long-term value creation;
- establish a framework for setting environmental objectives defined in Reale Group’s Decarbonisation Plan and in the Environmental Management System, implemented in accordance with the international standard ISO 14001;
- define the roles and responsibilities of the corporate bodies and functions involved.

1.2 Regulatory References

External References - European Legislation

- Directive (EU) 2022/2464 on corporate sustainability reporting and the related Commission Delegated Regulation (EU) 2023/2772 on sustainability reporting standards (the CSRD);
- Commission Delegated Regulation (EU) 2025/1416 amending Annex I of Delegated Regulation (EU) 2023/2772 on Sustainability Reporting Standards (the ESRS);
- Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (Disclosure Regulation/SFDR);
- Commission Delegated Regulation (EU) 2022/1288 supplementing Regulation (EU) 2019/2088 (SFDR Delegated Regulation);
- Commission Delegated Regulation (EU) 2015/35 of 10 October 2014, supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking-up and pursuit of the business of insurance and reinsurance (Solvency II) and subsequent amendments and supplements;
- Regulation (EU) 852/2020 on the Taxonomy;

- Commission Delegated Regulation (EU) 2021/1253, amending Delegated Regulation (EU) 2017/565;
- Commission Delegated Regulation (EU) 2021/1257 of 21 April 2021, supplementing Delegated Regulations (EU) 2017/2358 and (EU) 2017/2359 as regards the integration of sustainability factors, sustainability risks and sustainability preferences into product oversight and governance requirements for insurance undertakings and insurance product distributors and into conduct of business rules and investment advice for insurance-based investment products.

External References - Italian Legislation

- Legislative Decree 125/2024 implementing Directive (EU) 2022/2464;
- Law 118/2025 converting Decree-Law No. 95 of 30 June 2025 (the “Omnibus Package”);
- Law 208/2015 on Benefit Companies;
- IVASS Regulation No. 24/2016 on investments and assets covering technical provisions and subsequent amendments and supplements;
- IVASS Regulation No. 40/2018 on insurance and reinsurance distribution and subsequent amendments and supplements;
- IVASS Regulation No. 45/2020 on requirements for the governance and control of insurance products and subsequent amendments and supplements;
- IVASS Regulation No. 41/2018 on information, advertising and the creation of insurance products;
- Bank of Italy Circular No. 285 of 17 December 2013 on supervisory provisions for banks.

External References - Spanish Legislation

- Law 7/2021 of 20 May 2021 on climate change and energy transition;
- Royal Decree 214/2025, requiring the calculation of the carbon footprint (Scope 1 and 2) and five-year emission reduction plans;
- RDOSSEAR - Royal Decree No. 1060 of 20 November 2015 of the Spanish State on the regulation, supervision and solvency of insurance and reinsurance undertakings, implementing the Solvency II Directive.

External References - Chilean Legislation

- NCG 519 of October 2024, incorporating ISSB IFRS S1 and S2 standards for banks and insurers from the 2025/2026 financial year;
- General Regulation No. 461 of 12 November 2021 of the Comisión para el Mercado Financiero (CMF), amending the structure and content of the annual report of securities issuers, and amending and repealing the regulations indicated therein;
- Law No. 21305 of 13 February 2021 of the Ministry of Energy, on energy efficiency, and its amendments;

- Law No. 20920 of 1 June 2016 of the Ministry of the Environment, establishing a framework for waste management, extended producer responsibility and the promotion of recycling, and its amendments.

External References - Greek Legislation

- Law 5164/2024 implementing Directive (EU) 2022/2464 (CSRD transposition);
- Law 4936/2022 National Law on Climate Transition towards climate neutrality and adaptation to climate change, urgent provisions to address the energy crisis and protect the environment;
- Law 5164/2024 (transposing Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022), amending Regulation (EU) No. 537/2014, Directive 2004/109/EC, Directive 2006/43/EC, and Directive 2013/34/EU, on corporate sustainability reporting (L 322) and Commission Delegated Directive (EU) 2023/2775 of 17 October 2023, amending Directive 2013/34/EU of the European Parliament and of the Council as regards the size criteria for micro, small, medium-sized and large undertakings or groups.

For all service companies, reference is made to the specific sector legislation.

Internal References

This Policy universally governs the management of ESG issues within the Group, serving as a reference appendix for all strategic, organisational and operational guidelines.

The main internal references are as follows:

- Reale Mutua Group Corporate Governance Policy;
- Group Risk Management Policy;
- Group Underwriting and Reserving Risk Management Policy;
- Group Reputational Risk Management Policy;
- Group Non-Compliance Risk Management Policy;
- Group Responsible Investment Policy;
- Investment Policy;
- Group Remuneration Policy;
- Group Actuarial Function Policy;
- Group Operational Risk Management Policy;
- Group Reinsurance and Other Risk Mitigation Techniques Policy;
- Group Procurement Policy;
- Group Sustainability Risk Management Policy;
- Banca Reale Credit Risk Management Policy;
- Anti-Corruption Policy;
- Whistleblower Protection Policies;
- Code of Ethics;
- Group Guidelines for Minimum Safeguards;
- Decarbonisation Plan;
- Group Environmental Guidelines;

- Group Guidelines for the Classification of Insurance Products;
- Procedure to Counter the Financing of Enterprises Producing Anti-Personnel Mines, Cluster Munitions and Submunitions pursuant to Law 220/2021;
- Methodological Note for the Assessment of Impacts, Risks and Opportunities;
- Supplier Code of Conduct;
- Responsible AI Principles;
- Gender Equality Policy;
- Reale Immobili ESG Design Brief;
- Product Governance and Control Policy;
- Credit Risk Management Policy;
- Data Protection Policy.

1.3 Scope of Application

This document applies to Reale Group, in particular to the following Group companies:

- Società Reale Mutua Assicurazioni;
 - Italiana Assicurazioni S.p.A.;
 - Reale Seguros Generales S.A.;
 - Reale Vida y Pensiones S.A. de Seguros;
 - Reale Immobili S.p.A.;
 - Reale Immobili España S.A.;
 - Reale ITES S.r.L.;
 - Reale ITES ESP S.L.;
 - Blue Assistance S.p.A.;
 - Reale Chile Seguros S.A.;
 - Banca Reale S.p.A.;
 - Ydrogios Insurance and Reinsurance S.A.;
 - Blue Health Center S.r.l.;
- hereinafter also referred to as Reale Group.

The document is intended to chart a path towards sustainable development that can guide not only the Group, but also the actors with whom it interacts along its value chain.

Therefore, in order to govern the indirect sustainability impact caused by its activities, the Group has long since adopted specific policies for this management¹ which outline the general principles and guidelines for assessing not only economic impacts and risks, but also environmental, social and governance impacts and risks in management activities.

1.4 Document Approval and Review

The Policy is prepared and kept up to date by the Group Sustainability with the collaboration of other relevant corporate functions and is approved by the Board of Directors of Reale Mutua, in its capacity as USCI, following review by the Group Sustainability Committee and prior notification to

¹ For further details, please refer to paragraph 1.2. Regulatory References- Internal References

the Group Internal Control and Risk Committee (CCIRG) and the Board of Statutory Auditors of the Parent Company.

The document takes effect from the date of approval by the Board of Directors of Reale Mutua and is communicated to all relevant structures. The policy is also submitted to the Boards of Directors of the companies within the scope of application for their approval.

As a rule, it is reviewed by the Board of Directors of the Parent Company on an annual basis and whenever deemed necessary; such review is always followed by approval by the Boards of Directors of all Group Companies.

Group companies may introduce specific documents based on their particular characteristics and sector regulations, while respecting the Parent Company's guidelines set out in this Policy. This option may be exercised subject to the opinion of the Group Sustainability function in collaboration with the functions specified in the Group Regulation.

2 General Principles

The Policy draws on international sustainability principles and standards, including:

- European Convention for the Protection of Human Rights and Fundamental Freedoms (ECHR) (*European Convention on Human Rights* (ECHR), 1950) and the Charter of Fundamental Rights of the EU (*Charter of Fundamental Rights of the European Union*, 2000);
- United Nations Universal Declaration of Human Rights (*Universal Declaration of Human Rights* – United Nations, 1948), the International Covenant on Economic, Social and Cultural Rights (*International Covenant on Economic, Social and Cultural Rights*, 1966) and the International Covenant on Civil and Political Rights (*International Covenant on Civil and Political Rights*, 1966);
- OECD Guidelines for Multinational Enterprises (*OECD Guidelines for Multinational Enterprises on Responsible Business Conduct*, 1976);
- OECD Due Diligence Guidance for Responsible Business Conduct (*OECD Due Diligence Guidance for Responsible Business Conduct*, 2018);
- G20/OECD Principles of Corporate Governance (*G20/OECD Principles of Corporate Governance*, 2015);
- United Nations Guiding Principles on Business and Human Rights (*United Nations Guiding Principles on Business and Human Rights*, 2011);
- Declaration on Fundamental Principles and Rights at Work (*ILO Declaration on Fundamental Principles and Rights at Work*, 1998);
- United Nations Global Compact (2000);
- Paris Agreement on Climate Change (2015);
- United Nations Sustainable Development Goals (2015);
- Principles for Sustainable Insurance (PSI);
- International Standard ISO 14001 "Environmental management systems - Requirements with guidance for use".

2.1. The Mutual Nature, the Impact Sustainability Model and the Common Benefit Purposes

Reale Group derives its mission and values from the mutual nature of the Parent Company. In 2022, Reale Mutua acquired the status of Benefit Company², pursuing a “*purpose driven*” and impact-oriented business model.

This choice represented the natural evolution of the mutual model, which enabled the Group to enshrine in its Articles of Association six “Common Benefit Purposes”, objectives integrated into the corporate purpose aimed at generating positive effects – or reducing negative ones – on people, communities, territories, the environment and other stakeholders.

The “impact” sustainability model of the Benefit Company enhances Reale Group’s strategic positioning in the ESG field, integrating sustainability aspects into the business to ensure solidity and competitiveness in the long term. This approach introduces impact assessment alongside risk and return assessment, in accordance with the principles of intentionality, measurability and additionality.

The Group is committed to contributing to the achievement of the UNSDGs³, distributing value through mutual benefits, prevention, protection and support for territorial development.

For this reason, Reale Group integrates sustainability principles into the Remuneration Policy, ensuring a link between individual performance growth and business sustainability.

2.2. Identification of Stakeholders, Value Chain Dimensions and Context

In order to ensure proper management and integration of sustainability in the Group’s management activities, Reale Group has identified and mapped its main stakeholders in the following categories:

- Employees and their Representatives;
- Members/Insured-Clients;
- Corporate Bodies;
- Intermediaries and other Distribution Channels;
- Suppliers of goods and services;
- Community and environment;
- Shareholders of subsidiary companies;
- Supervisory and regulatory authorities and agencies.

In this perspective, six “key segments” of the value chain have been identified: **Suppliers**, which constitute the *upstream* (“upstream” value chain), including the general suppliers of business activities and the suppliers involved in claims and health settlement processes, **Own Operations** (Employees), which represent the *mid-stream*, **Underwriting**, **Credit** services, **Investments** and **Distributors**, which represent the *downstream* (“downstream” value chain), including the

² A benefit company is a business that pursues “Common Benefit Purposes”, operating in a responsible, sustainable and transparent manner towards the environment, communities, employees and other stakeholders. The Benefit Company integrates positive impact objectives into its corporate purpose, balancing profits with social responsibility.

³ UNSDGs - United Nations Sustainable Development Goals, i.e. the United Nations Sustainable Development Goals established by the UN in 2015.

distribution network, the Clients to whom products and services are offered and the companies benefiting from investments.

With regard to sustainability topics encompassing environmental, social and governance factors, Reale Group has established an internal documentary framework composed of Policies, Guidelines, procedures and processes covering the entire value chain indicated above.

In order to define the scope of sustainability topics, the Group carries out, at least annually, a preliminary analysis of Reale Group's operating context, taking into account the Group's activities, business relationships and Stakeholders, as well as market developments. This activity is carried out by the Group Sustainability Office, in collaboration with the Group Risk Governance Office, and aims to provide key elements useful for identifying Impacts, Risks and Opportunities (IROs) for the subsequent double materiality analysis phase.

3 Due Diligence

Reale Group exercises its due diligence to identify, prevent, mitigate and report on actual and potential negative impacts in the areas identified by the double materiality analysis; the materiality analysis serves as a filtering and guiding tool for management for a strategic business vision that also takes into account impacts and risks across all links of the Group's upstream and downstream value chain.

3.1. Sustainability Management Process and Double Materiality Assessment

Through the double materiality analysis (impact and financial), which involves the Group's Stakeholders and the risk management system, Reale Group identifies the actual or potential negative impacts of its activities, using these inputs in strategic planning to adopt preventive and mitigation measures in the short, medium and long term.

The double materiality analysis is a fundamental tool, both in relation to the non-financial reporting process and for the definition and planning of the Group's strategy.

For further details on the process followed for the double materiality analysis, please refer to the "Methodological Note for the Assessment of Material Impacts, Risks and Opportunities".

The relevant areas identified, which are fundamental for the implementation of the Business Plan, are promptly communicated to the Board of Directors, Top Management, the Committees (Sustainability and Group Internal Control and Risk) and the relevant corporate structures.

In particular, the Group Sustainability and Group Risk Governance functions carry out the analysis and dissemination of the results obtained from the process, in order to ensure adequate information to all corporate structures involved and to Reale Group's internal and external Stakeholders.

In particular, the results of the Double Materiality process flow into the Group Consolidated Integrated Report and the ORSA reports of the Group's insurance companies and the ICAAP of the banking company.

3.1.1 Suppliers

The Group is committed to ensuring sustainable management of its supply chain and all procurement, production and distribution processes directly activated by the company or attributable to it through its suppliers and its network of commercial and operational suppliers.

The integration of sustainability into the Group's development strategy is also implemented through the management of the supply chain, where the Group promotes the adoption of sustainability commitments in line with those defined internally, including through the adoption of environmental and social criteria and standards in the supplier selection and evaluation system, favouring those that are able to demonstrate responsible management of environmental and social impacts and the protection of workers' rights, including within the subcontractor network.

Suppliers are required to accept the Supplier Code of Conduct and to review the Reale Group Code of Ethics, which promotes respect for people and recognises their importance, pursuing the maximum enhancement of individuality, merit, talent, skills and managerial capabilities.

With regard to forced, compulsory and child labour, the Code of Ethics and the Supplier Code of Conduct establish that suppliers must not use any form of forced or compulsory labour, involuntary prison labour, slavery or human trafficking. Consequently, no supplier may employ persons who have not reached the minimum age required by the legislation of the relevant country for admission to work.

The Group is committed to avoiding conflicts of interest and ensuring efficient and transparent management of relationships with suppliers, minimising payment delays.

The Group has adopted monitoring plans for suppliers' ESG performance.

Also in the selection of trustees and other parties involved in claims management, the Group adopts a rigorous approach that evaluates the working conditions they offer, equal treatment and opportunities for employees, environmental practices and governance, obtaining information on the applicability of ESG criteria by them.

3.1.2 Own Operations

As formalised in the Code of Ethics, the Group promotes, internally and throughout the entire value chain, a culture based on respect for the individual and individual dignity, on the protection of human rights, including labour rights of female and male Workers, opposing every form – including indirect forms – of forced or child labour, protecting the physical and mental well-being of all people and promoting the enhancement of differences, without any discrimination.

The Group rejects forced and child labour and any type of harassment, whether physical, verbal or non-verbal, having the purpose or effect of violating the dignity and freedom of a worker and creating an intimidating, hostile, degrading, humiliating or offensive environment, thus ensuring respectful and favourable working conditions in the countries in which it operates.

The Group Companies actively promote the protection of the health and safety of female and male Workers, ensuring a healthy and safe working environment; equal is the commitment to finding concrete solutions for a balanced work-life balance for employees.

The Group Companies, with local specificities, apply, where applicable, the National Collective Bargaining Agreements and the Company Supplementary Contracts or Agreements to all Employees, under which the provisions relating to working hours, economic treatment, supplementary pension schemes, welfare coverage and, in general, so-called fringe benefits are regulated at national and company level, ensuring pay equity.

The Group promotes and values the expression of People in respect of all diversities, without any discrimination, promoting and supporting a culture that fosters equal opportunities with the aim of achieving pay equity.

The Group Companies also guarantee trade union freedoms and the right of association in representative bodies of Employees and have established a model for dialogue with Workers and Trade Unions.

The Reale Group Companies have adopted a Whistleblowing management system (*Whistleblowing*), which protects the interests and anonymity of the reporter and strengthens the existing safeguards in terms of internal controls and risk management.

This system, in addition to reporting violations of regulations and sector provisions that the Companies are required to comply with, allows reports to be submitted regarding violations of the Code of Ethics, the Models, as well as policies, procedures, internal provisions, etc.

The mutual nature of the Group permeates relationships with communities, guiding the Group to listen to and engage with local territories to promote shared value and sustainable development. Reale Group builds proactive and transparent relationships, supporting the co-creation of projects with high social and cultural value and spreading the culture of sustainability and mutuality. The actions of listening, dialogue and engagement with the territory and the communities concerned constitute a central element guiding Reale Group's impact strategy, concretely implemented by Reale Foundation, the Corporate Foundation of Reale Group, active in Italy, Spain, Chile and Greece, which pursues purposes of general interest in the cultural, sports, environmental protection, civic, welfare and social inclusion fields.

Despite operating in a sector characterised by a limited direct negative impact on the environment and the ecosystem, Reale Group has been committed for years to implementing targeted actions for the efficient and responsible management of natural resources (energy, water) in its workplaces; furthermore, Reale Group supports, also through Reale Foundation, projects that have positive environmental effects and promotes better initiatives aimed at achieving environmental performance, spreading the culture of sustainability to all its Stakeholders also through products, services and information campaigns and by including sustainability criteria in the selection and evaluation of suppliers and business partners.

Through the adoption of an Environmental Management System compliant with the ISO 14001 standard and specific Guidelines, Reale Group is committed to meeting compliance obligations (mandatory or voluntarily subscribed) and to preventing pollution from its activities by adopting the best strategies, optimising the use of natural resources also through the mitigation/offsetting of CO₂ emissions and measuring their impact by defining and monitoring specific environmental indicators.

3.1.3 Underwriting and Credit

The value chain segment relating to the Underwriting business covers Reale Group's corporate insurance portfolios, while the Credit segment covers the loan portfolios disbursed by the Group's bank, Banca Reale.

In line with these principles, specific safeguards have been adopted to exclude from underwriting and credit activities listed companies involved in "Serious violations of MSCI Global Norms", including cases of violation of the conventions of the International Labour Organization (*International Labour Organization – ILO*).

Furthermore, insurance, banking and financial products with social and/or environmental characteristics are promoted, capable of encouraging the adoption of eco-sustainable behaviour by Members/Insured – Clients and environmental management systems, incentivising relationships with certified companies. Reale Group is also committed to considering environmental aspects in the assessment of underwriting risks and in the offering of products and/or services.

Customer centricity guides Reale Group in the innovation of tools and processes and in organisational evolution.

Reale Group designs and develops impact-oriented products and services, expanding accessibility and inclusivity for all categories of insured persons, combining profitability and competitiveness with professional ethics, honesty, transparency and personal data protection.

Reale Group adopts adequate security measures and is committed to improving the customer experience, providing clear information and establishing relationships of trust, transparency and collaboration; in carrying out its activities, it pursues the objective of combining profitability and competitiveness with strict compliance with professional ethics, drawing on principles of honesty, professionalism and transparency towards its clients.

Reale Group ensures the protection of clients' personal data, ensuring that processing is carried out in compliance with applicable regulations. To this end, it adopts adequate technical and organisational measures to ensure a level of security appropriate to the risk, in accordance with the applicable legislation.

Finally, Reale Group is constantly committed to establishing and maintaining relationships of trust and collaboration with clients, through the continuous improvement of service quality, contract management and claims settlement in full transparency, a fundamental principle both for the sense of responsibility and for maintaining a good reputation with Stakeholders.

3.1.4 Distributors

The distributors segment includes all intermediaries appointed to distribute Reale Group's product and service offerings.

The agency channel continues to be the main actor in distribution processes and one of the safeguards in the territories with respect to ESG risks, developing greater awareness of them, making the level of exposure clearer and defining adequate coverage and guarantees over time.

The distribution network is central to Reale Group's business model, supported in processes of change and innovation. Intermediaries operate with transparency, fairness, efficiency and professionalism, protecting privacy and ensuring access to quality information. Reale Group values entrepreneurial autonomy, promotes continuous training for the development of technical and advisory skills and considers intermediaries a key Stakeholder in the analysis of impacts related to the agency network.

3.1.5 Investments

The investments segment comprises the managed proprietary securities portfolios and the Class C and D.I Life portfolios of Reale Group companies.

As institutional investors, Reale Group companies (from a legal perspective) play a key role in channelling financial resources into investments that support the transition towards a sustainable economy, in the best interest of their internal and external Stakeholders.

Reale Group pays particular attention to sustainability aspects, with the aim of creating value for both its Stakeholders and society as a whole.

The Group Responsible Investment Policy aims to define and formalise the responsible investment strategies applied to the securities portfolios of Reale Group Companies. The selection criteria envisaged are exclusions, *integration criteria e best in class*, *impact investing* and thematic investments.

The above criteria apply to the managed proprietary Portfolios and to Class C Life Portfolios, to Strategic Holdings and to direct or indirect Investments in unlisted innovative companies (Venture Capital) and are applicable to Investments in the portfolios of Life insurance products whose risk is borne by policyholders (Class D.I of the Balance Sheet) and to Bank Asset Management, where provided for by the relevant contractual documentation.

The Policy applies to the portfolios of all Reale Group companies, taking into account the specificities of individual undertakings.

Reale Group also integrates sustainability risks into the investment decision-making and management process, applying the exclusion criteria and *integration criteria e best in class*, as formalised in the Group Responsible Investment Policy and the Group Sustainability Risk Management Policy.

In the area of real estate investments, Reale Group pursues actions aimed at reducing greenhouse gas emissions generated by its portfolio.

3.2. Sustainability Applied to Artificial Intelligence

Reale Group recognises the importance of responsible use of Artificial Intelligence (AI) in line with its mutual values and sustainability commitments. The guiding principles for the use of AI, formalised in the Group Code of Ethics, ensure the balance between business objectives and ethical, regulatory and social impact considerations, including transparency, fairness, accountability and personal data protection. Reale Group integrates the assessment of ESG risks and impacts related to AI into governance and risk management processes, adopting organisational safeguards to prevent discriminatory or unethical outcomes and promoting the monitoring and continuous improvement of systems. This approach considers the entire life cycle of AI applications along the value chain, in line with the relevant international standards and the Common Benefit Purposes pursued by Reale Mutua.

4 Sustainability Governance

Effective governance is considered a lever for competitiveness and sustainability, with administrative, management and supervisory bodies committed to promoting ethical practices of legality, integrity, impartiality and transparency.

Business activities are based on compliance with these criteria; to this end, absolute compliance with applicable laws and regulations is promoted, as well as the adoption of appropriate organisational safeguards aimed at minimising the risk of corruption.

It is the responsibility of individual Group companies, in Italy and abroad, to adopt conduct aligned with the Group's mission and values, as set out in the Group Code of Ethics, a document that ensures, through its application, proper management and compliance with the relevant sector regulatory framework.

An efficient corporate governance structure contributes to enhancing the Group's competitiveness and the sustainability of its development, and the administrative, management and supervisory bodies play a fundamental role in promoting good business conduct practices in compliance with

the ethical principles of legality, integrity, impartiality and transparency in all stakeholder relationships, rejecting and preventing all forms of corruption.

Furthermore, the Group Companies have an internal control and risk management system, aimed at ensuring the proper functioning and sound management of each Company, including the promotion and awareness of ESG factors and the pursuit of operational correctness, as well as the prevention of legal violations.

4.1 Roles and Responsibilities of the Actors Involved

Board of Directors of the Parent Company

The Board of Directors of Reale Mutua is responsible for the management of the company and exercises management and coordination activities over the other Group Companies. It also carries out supervisory activities and defines strategic guidelines in the area of Reale Group's sustainability. The Directors are responsible for ensuring proper compliance with the preparation of the Management Report in accordance with the applicable regulations. Furthermore, the Board of Directors is tasked with:

- approving the sustainability strategy and related policies and activities, taking into account the impacts, risks and opportunities and the interests of Stakeholders;
- approving, within the Risk Appetite Framework (RAF) definition process, the risk tolerance also with reference to ESG factors;
- approving the internal control system, also in relation to ESG issues;
- ensuring the consistency of the contents of this Policy with the provisions contained in other internal regulatory documents;
- expressing its views on the results of the double materiality analysis.

It is supported by a dedicated board committee, the Group Sustainability Committee and by the Impact Manager, appointed in accordance with Law 208/2015.

Boards of Directors of Subsidiary Companies

The Boards of Directors of the subsidiary companies referred to in paragraph 1.3, in line with the guidelines established by the Parent Company and according to the specificities of individual Companies, are responsible for defining sustainability guidelines (the set of strategies and policies for the assumption, assessment and management of the most significant impacts), and for verifying the correct implementation of the sustainability integration system by Top Management, ensuring the objective of safeguarding assets also in a medium-to-long-term perspective. Furthermore, the Boards of Directors of the subsidiary companies are responsible for approving the "Group Sustainability Policy".

Group Sustainability Committee

The Group Sustainability Committee is a body, operating within Reale Group, with advisory, investigative and propositional functions in sustainability matters, which performs the following functions:

- promotes an ever-greater integration of environmental, social and governance factors into the business activities of Reale Mutua and the Group, with the aim of generating positive impacts,

where possible measurable and intentional, for the benefit of Stakeholders and the communities in which the Group Companies operate, over a medium-to-long-term horizon;

- promotes relationships with Reale Foundation and ensures their coordination;
- manages all activities connected with Reale Mutua's assumption of the status of "Benefit Company";

supervises the activities connected with the maintenance of the Group Environmental Management System.

The Sustainability Committee plays a coordination and monitoring role to ensure the effective implementation of the principles set out in this document, reporting directly to the Board of Directors on these matters.

Group Internal Control and Risk Committee (CCIRG)

The Group Internal Control and Risk Committee, whose functions are of an advisory and propositional nature, assists the Board of Directors in determining the guidelines of the internal control and risk management system, including those related to environmental, social and governance (ESG) factors.

Committees of Foreign Subsidiary Companies on the Internal Control and Risk Management System

These Committees assist the Boards of Directors of their respective Companies, at local level, on the internal control and risk management system, including those related to environmental, social and governance (ESG) factors.

Impact Manager of the Benefit Company (Reale Mutua)

The Impact Manager, a figure established by Law 208/2015 on Benefit Companies, assists and supports the Board of Directors in the following activities:

- identifying the objectives related to the achievement of the Common Benefit Purposes;
- defining the resources, timelines and methods for achieving these objectives;
- verifying the pursuit of the Common Benefit Purposes and the impacts generated;
- preparing the annual report on the pursuit of the Common Benefit Purposes, to be attached to the financial statements.

With regard to the figure of the Impact Manager, it should be noted that they are also responsible for reporting, implementing and improving impact objectives and are tasked with the following duties:

- assisting the directors' activities and supervising the consistency of business activities with the social and environmental objectives pursued by the company. In particular, they may be entrusted with the task of refining and implementing the indicated impact objectives by involving all corporate functions, supporting the directors by providing them with the information necessary to carry out their task of balancing the interests at stake, reporting and identifying the methods and criteria for monitoring the company's impact, coordinating the annual impact report and promoting the transparency of the results obtained.
- coordinating and periodically verifying the implementation of activities aimed at pursuing the purposes;

- mapping the necessary skills and organisational roles most closely linked to the pursuit of these purposes;
- supporting the Directors in the preparation of the annual report and in defining the most appropriate means of publicising it.

The responsibility of the Impact Manager is ordinary functional responsibility, but their appointment does not exempt the directors and statutory auditors from their own responsibilities in this regard.

Board of Statutory Auditors

The Board of Statutory Auditors oversees the adequacy and functioning of the internal control system and compliance with the principles of proper administration. In particular, the Board of Statutory Auditors, taking into account the nature and size of the company, verifies the existence of structures, procedures and operational practices that ensure that sustainability reporting is timely, complete and reliable, in compliance with the applicable legislation and ESRS standards. The Board of Statutory Auditors reports on this in its annual report to the Assembly of Delegates. The Chairman of the Parent Company's Board of Statutory Auditors is invited to participate as an observer in the Group Sustainability Committee.

Top Management

Top Management applies and maintains the guidelines defined by the Board of Directors, promotes and coordinates strategic initiatives, reviews and validates forecasting plans and significant projects, oversees the relationships between management and operational structures and systematically informs the Board of Directors on the main aspects of business management.

Group Sustainability

The Group Sustainability Unit operates within the Group Chief Corporate Strategy & Sustainability Officer area with the role of developing and promoting the Group's vision and strategy in the area of sustainability, coordinating initiatives with impact in this field while ensuring consistency with globally defined principles and guidelines, and managing relationships with Stakeholders.

It is also responsible for collecting and processing content for the preparation of the Group Consolidated Integrated Report for the non-financial part and carries out impact analysis activities within the double materiality process.

The Group Sustainability Unit is responsible for updating this Policy and submits it for review following significant changes in the reference regulatory context or the Group's objectives.

Compliance

The Group Compliance function and the Compliance functions of the Group's insurance and banking companies are responsible for assessing that the organisation and corporate procedures are adequate to achieve the objectives of overseeing the risk of non-compliance with regulations. The functions also support the Board of Directors and Top Management on non-compliance risks. The Group Compliance function defines the guidelines for the governance and control of risk with respect to the Group companies.

The Compliance function of Reale Mutua also collaborates in the review of this policy with regard to regulatory compliance aspects and, in the context of identifying and assessing sustainability risks

within the impact materiality analysis, assists the risk owners, both directly and through its focal points, in the analyses in all cases where the sustainability risk is linked or linkable to the regulatory non-compliance risk category.

Compliance safeguards are established at the service companies to provide support for the above-mentioned activities.

Group Chief Risk Management Officer and Risk Managers of Group Companies

The Risk Management function contributes to the development and updating of this document and monitors its application and compliance. This function supports the Group Sustainability function in the materiality analysis exercise in the context of determining material sustainability topics in relation to the Group's sustainability reporting process in accordance with the double materiality approach defined by the CSRD. In particular, the Risk Management function coordinates the assessment of risk analyses conducted through the Risk Assessment for the financial materiality relating to Group sustainability topics.

Business Functions

Business functions are an active part of the sustainability implementation process, starting from participation in the double materiality analysis that evaluates the relevant topics/sub-topics through interviews conducted by the Group Sustainability and Risk Management functions of the Group Companies.

Business functions are also responsible for implementing sustainability integration actions in management activities, for the aspects within their respective competence.

5 Monitoring and Communication

The Group is committed to monitoring and transparently communicating its activities in the areas governed by the Policy, raising awareness among employees and Stakeholders through dedicated information and training programmes.

Disclosure of sustainability information and results is provided in the Consolidated Integrated Report prepared in accordance with the CSRD and ESRS standards, available on the websites of all Group companies.

The Group, as a signatory of the United Nations Principles for Sustainable Insurance (PSI), reports annually and publishes a dedicated report on the progress made against the targets set.

Reale Group also adheres to the principles of the Global Compact, providing annual disclosure through the "Communication on Progress" and actively promotes, through partnerships and collaborations with international sector organisations, the mutual model and the Benefit Company as examples of economic and social sustainability.

Finally, the Parent Company, pursuant to the legislation governing Benefit Companies (Italian Law 208/2015), publishes the Annual Report on the pursuit of its Common Benefit Purposes, which includes the measurement of the impact generated towards all its Stakeholders.

This Policy is available in full to all Group personnel through publication on the digital workplace "Really" and is made known to Stakeholders through publication on the website www.realegroup.eu.