

IMPACT AWARD REGULATION

1. INTRODUCTION

The “**Impact Award**” (“**Award**”) is an acknowledgement established and directed by the MIP Politecnico di Milano Graduate School of Business S.c.p.a. (“**POLIMI GSOM**” or “**Promoter**”), with the support of Cassa depositi e prestiti S.p.A. (“**CDP**” or “**Partner**”) and with the research group of Politecnico di Milano – TIRESIA (“**TIRESIA**” or “**Collaborator**”).

The Award aims to identify, acknowledge and promote operations that generate a positive and significant impact in social and environmental terms on the local region, communities and surrounding environment.

The Award is addressed to, (i) mid-large corporates, (ii) mid-large infrastructural corporates, (iii) corporates operating in the field of international cooperation, (iv) Public Administrations that have conceived and structured one of the operations referred to in Article 3.2 below or within the limits envisaged in Article 3.3 below, (v) undertakings for collective investment or investment vehicles (including fund of funds) (hereinafter, collectively the “**Participants**”) and (vi) SMEs with an annual turnover not exceeding 50 million euros, which have conceived and structured at least one of the transactions referred to in Article 3.2 below (the “**SMEs**”).

Moreover, the Award aims to promote innovative and transformative projects, with the ultimate goal of stimulating positive change in the entrepreneurial and public context, driving emulative processes among potential new recipients.

2. PROMOTER, PARTNER AND COLLABORATORS

The Award is promoted by POLIMI GSOM, one of the leading business schools in Europe, renowned for excellence in managerial education and an innovative approach to corporate leadership. The school offers MBA, Executive MBA and specialised master's programmes, combining academic rigour, practical orientation and a strong connection with the industrial and technological world. POLIMI GSOM promotes sustainable development and innovation through training initiatives that prepare responsible leaders capable of addressing global challenges with strategic vision and advanced skills.

CDP, an Italian financial institution that is predominantly publicly controlled with the objective of supporting the country's economic and social development, is an **institutional partner** of the Award. CDP (i) operates as a catalyst for strategic investments, financing infrastructure, innovation projects, businesses and general government, (ii) manages postal savings, ensuring security for savers and transforming these resources into investments for Italy's sustainable growth and, thanks to its role as a promoter of economic development, (iii) contributes to achieving the Sustainable Development Goals (SDGs), supporting initiatives in key sectors such as energy, transport, education and digitalisation.

The Award involves the collaboration of **TIRESIA professors** (as a collaborator for the scientific and methodological management), an international research centre of the Graduate School of Management of Politecnico di Milano, whose objective is to provide an excellent contribution to research in management of social innovation, social entrepreneurship, social impact measurement and social impact finance.

3. OBJECTIVES, NATURE AND RECIPIENTS OF THE AWARD

The Award aims to identify, recognise and promote **the best projects, operations and initiatives put forward by the Participants and SMEs**, those that are capable of demonstrating a measurable, positive and significant impact, as detailed in point 3.2. The Award also aims to establish emulative processes among new actors, both public and private, with the objective of increasing the number of operations and projects with environmental and social impact, stimulating growth and sustainable development at both national and international levels.

3.1 Admitted Projects

The Award targets:

- Participants who have designed and structured projects for which financing contracts or contracts related to other forms of support from CDP – directly or through companies controlled by it and
- SMEs which have designed and structured projects that, in 2025, have been the recipients of financial resources provided by CDP and/or Simest, including where such resources are managed by third parties, or of financial resources provided by third parties, including where such resources are managed by CDP and/or Simest.

that have been entered into in 2025 and that have resulted or are expected to result in:

- i. a social impact consisting in, by way of example but not limited to, in access to quality education, the health and well-being of the public, the provision of decent work, access to services, urban regeneration carried out through initiatives aimed at housing functions within the 4S framework (“**Social Impact**”);
- ii. an environmental impact consisting in, for example but not limited to, combating climate change, the responsible use of natural resources such as water, as well as the protection and promotion of biodiversity and renewable energies (“**Environmental Impact**”),

hereinafter collectively referred to as the “**Projects**”.

The winning and finalist projects of the previous edition cannot compete in the 2026 edition of the Award.

3.2 Selection of the award winners

For the purposes of awarding the prizes, up to a maximum of:

- i. two operations that have generated or are anticipated to generate Social Impact and/or Environmental Impact for the Participant public administrations.
- ii.
- iii. two operations that have generated or are anticipated to generate Social Impact and/or Environmental Impact for the Participant mid-large corporates; One operation that has generated or is anticipated to generate Social Impact and/or Environmental Impact for the Participant infrastructural mid-large corporates;
- iv. One operation that has generated or is anticipated to generate Social Impact and/or Environmental Impact for the Participant corporates operating in the field of international cooperation.
- v. Two operations that have produced or are anticipated to produce Social Impact and/or Environmental Impact for the Participant SMEs.

3.3 Selection of the special award

It is also anticipated that a "special award" will be given to an operation that has generated or is anticipated to generate Social Impact for the Participant category undertakings for collective investment or investment vehicles (including funds of funds).

In any event, the right to not assign one or more awards (including the special award) remains should the candidate Projects not be deemed adequate and/or deserving, even partially.

4. METHOD OF PARTICIPATION

Applications for the Award

Participants and SMEs must submit their applications through the Award's official channels by the deadlines and according to the methods set out in the relevant landing page. The failure to finalise the application by the deadline and according to the methods specified will result in the Participant's and or SMEs' exclusion from the Award.

During the application, each Participant and SMEs is required to disclose the data and information requested in a survey that must be completed to participate in the Award. Such data and information will be used exclusively for the evaluation of the Participant and SMEs for the assignment of the Award.

Additional data and/or information may subsequently be requested by the Promoter where necessary for the evaluation of the Projects.

5. EVALUATION PROCESS

The Project evaluation process – managed by POLIMI GSOM – will be divided into three stages:

- **Stage 1 – pre-assessment of ethical conduct and responsible governance.** For this stage, projects will be identified based on criteria for evaluating ethical conduct and responsible governance. Only the Projects selected based on these criteria will proceed to the next evaluation stage.
- **Stage 2 – evaluation of impact and identification of finalist Projects.** The Projects selected in the previous stage will be subjected to a thorough evaluation of their Environmental Impact or Social Impact (expected or produced) based on the information provided in the application. At the conclusion of this evaluation, the finalist Projects will be identified and subjected to a final evaluation by the Jury (as defined in Article 6).
- **Stage 3 – selection of the winning Projects.** During this stage, the Jury as defined in Article 6 will examine the finalist Projects and select the winners of the Award, applying the criteria outlined in Annex 1. The announcement and awarding of the winning Projects will take place during a dedicated event organised by the Partner, which will be held by June 2026. The list of winners will also be published on the communication channels of the Promoter and the Partner.

The management of the Award will be entrusted to POLIMI GSOM, which among other things will be responsible for the promotion of the initiative together with CDP and for the process of evaluating the applications.

6. JURY

The jury will be composed of individuals with specialised expertise in ESG, sustainability, innovation, public administration, business, international cooperation and development, representatives from institutions, education and the economic fabric ("**Jury**"), appointed and coordinated by POLIMI GSOM.

The Jury is entrusted with evaluating the submitted Projects according to the criteria set out in Annex 1, and its final judgement is discretionary and unquestionable. Therefore, participation in the Award implies acceptance of the fact that decisions regarding the selection of Projects may not be challenged.

7. AWARD

The awards given to the winners will consist of:

- (i) A symbolic recognition celebrating the commitment made by Participants and SMEs to the social and environmental sector.
- (ii) An educational/social award closely tied to the themes covered by the Award. This award may include but not be limited to training courses, workshops or other initiatives that further promote the environmental and social objectives of the winning Project.

8. MONITORING OF ONGOING IMPACTS AND THE CONDUCT OF WINNERS

The Award-winning Participants and SMEs which have presented Projects with impacts that are expected but not yet generated must provide CDP – according to the methods and timings specified thereby – a monitoring report certifying: (i) the progress of the Project; (ii) the expected impacts and evidence of their progressive achievement, based on at least one identified performance indicator; (iii) the winners' behaviour and ethical conduct. The purpose of this monitoring is to confirm the veracity of the information and data provided, as well as the correct progress of the Project.

Should it emerge after the assignment of the Award that the winning Participant and SMEs made false statements, the Award will be revoked, resulting in, by way of example and not limited to, the cessation of communication and promotional activities related to the underlying operations and the cessation of the provision of the educational prize.

9. PROTECTION OF PERSONAL DATA

The Promoter and the Partner declare to have mutually acknowledged compliance with the obligations concerning personal data protection (Regulation (EU) no. 2016/679, hereinafter "GDPR"), each to the extent of their own responsibilities, and to act as independent data controllers, as an exception to the provisions of the sponsorship agreement.

The Promoter also declares to have appointed Tiresia's instructors as external data processors with respect to the activities they will carry out in execution of the collaboration.

The Parties commit to operate in full compliance with the laws on personal data protection applicable to them with respect to any personal data processing connected with the Award governed by these Regulations. To this end, they commit to: i) limit personal data processing only to the above-mentioned purpose; ii) make personal data accessible to authorised employees and contractors of the controller to the extent strictly necessary; iii) store personal data respecting principles of proportionality and necessity, and in any case only until the processing purpose has been achieved; iv) implement all necessary measures as envisaged by the GDPR and any other applicable laws.

The Promoter, the Partner and the Collaborators further hereby commit to operate in compliance with the GDPR even in the case of formalisation of any supplementary agreements to these Regulations, without prejudice to the need to reassess their respective roles and responsibilities based on the data processed.

10. RESPONSIBILITIES

The Participants and SMEs in the Award recognise and accept that the Promoter, the Partner and the Collaborators shall not be responsible for any damages and/or losses arising from participation in the Award or from the use of the prizes awarded. The Promoter, the Partner and the Collaborators reserve the right to modify, suspend or cancel the Award at any time, without any liability for damages or losses suffered by Participants and SMEs.

11. CONTACT INFORMATION

For information about the Award contact the following address: impactaward@polimi.it Leg

ANNEX 1 – SUMMARY OF EVALUATION CRITERIA

- **Evaluation principles: Intentionality, measurability and additionality**

For the purpose of measuring the Projects' impact (expected or produced), the following macro-principles will be used for project evaluation:

- **Intentionality:** the impact is evaluated for its capacity to intentionally generate social and/or environmental value, in line with the purpose of the financing received. The evaluation does not take into account any externalities or indirect impacts.
- **Measurability:** the impact is associated with metrics that highlight quantitative indications of the social and environmental value generated. Measurability is associated with the "How Much" criterion of Impact Frontiers¹, which expresses the impact in terms of *scale*, *depth* and *duration*.
- **Additionality:** understood as the capability of the Project to produce effects that otherwise would not have occurred without it. From an operational standpoint, the ability to foster transformative innovation within the Project is determined by evaluating two interconnected elements. Firstly, whether the impact results can be achieved through a new, original solution (in terms of product, process, business model or initiative), which represents an original approach to addressing a specific social and/or environmental challenge; secondly, the severity of the identified need within the area of reference. For example, evaluating whether the Project directly addresses a significant social, environmental or economic need (e.g. youth employment or waste management, in areas where solutions are more urgent).

- **Summary Index**

The macro-principles listed will be synthesised into a Weighted Impact Index (WII) based on the project's funding amount, enabling a quantitative valuation.

$$\text{WII} = [\text{Standardised Scale} \times \text{Depth} \times \text{Duration}^2 \times \text{Innovation Level Index} \times \text{Need Severity Index}] / \text{Total project funding}$$

Standardised Scale

Quantitative measure of the extent of the impact, expressed as the number of people, resources or environmental units involved, obtained through KPIs and conversion factors.

Depth

Represents the intensity of the change generated, evaluated as the annual economic value of the social or environmental benefit produced compared to the pre-existing situation.

¹ Impact Frontiers (2024). <https://impactfrontiers.org/norms/five-dimensions-of-impact/how-much/>

² Regarding the project's Duration, a value adjustment factor resulting from the product of Standardized Scale and Depth can be considered, as follows:

$$\sum_{t=1}^T \frac{1}{(1+r)^t}$$

The value of T corresponds to the project's Duration. The value of the social discount rate r is based on scientific literature, ranging between 3% and 10%: Alpizar, F., Del Carpio, M. B., Cremades, R., & Ferraro, P. J. (2023). High discount rates by private actors undermine climate change adaptation policies. *Climate Risk Management*, 40, 100488.

Duration

Indicates the time horizon over which the impact is maintained, considering the life cycle of the benefits or the strategic duration of the project.

Innovation Level Index

Multiplicative factor that reflects the project's level of innovation, from operational optimisation to organisational or systemic innovation, with increasing rewards.

Need Severity Index

Multiplicative factor that takes into account the urgency and critical nature of the local context, based on socio-economic and environmental indicators.

Total project funding

Total amount of financial resources employed, used to standardise the impact relative to the economic size of the project.

- **Evaluation Criteria of the Jury**

The Jury will receive a ranking of the candidate projects defined based on the WII values calculated during the evaluation stage, along with the related informational and verification materials used for the evaluations and the scoring. Consistent with the previous evaluation methodology, the Jury will examine the shortlist of candidate projects and cast a vote by assigning a score from 1 to 5 to each criterion:

1. *Contribution to sustainable development challenges*
2. *Scale of the impact generated*
3. *Additionality with respect to the needs of the reference context*
4. *Potential for systemic change*
5. *Level of innovation*

- **Criteria for resolving ties and traceability of the Jury's decisions**

A "tie" is a situation in which two or more Projects have the same WII rounded to the second decimal place and the same score on the five criteria considered by the Jury. In the event of a tie, the Jury evaluates the Projects by applying the following criteria in the order given:

1. Localisation in disadvantaged areas, understood as the regions where the Project operates and exhibiting conditions of economic, social and/or environmental fragility consistent with the impact type (social or environmental), exemplified by unemployment rate, youth unemployment rate or female unemployment rate in the project region/province.
2. Justified discretion of the Jury based on the evaluation criterion – among those envisaged in the Regulations – most relevant for the areas, people and communities involved in the Project impacts.

If the tie persists, the Jury shall draw lots among the Projects concerned. The decisions adopted are final and are recorded in writing, detailing criterion or criteria applied and a brief statement of reasons.