

# CORPORATE SUSTAINABILITY MANIFESTO

Sustainability has become a defining element of corporate strategy and long-term competitiveness. ESG referring to environmental, social, and governance factors remains an essential framework for understanding how businesses create, preserve, or erode value over time. The growing emphasis on these dimensions reflects a deeper acknowledgment of the corporate sector's critical role in advancing sustainable development and ensuring societal resilience.

Across local, European, and global levels, regulatory initiatives are reshaping market expectations. Their shared objective is to reduce harm to the environment and people while accelerating the transition to more sustainable economic models. Many of these binding rules build on long-standing best practices and voluntary standards that companies have adopted over the years. Early adopters now benefit from a strong foundation - but must continue to evolve, as sustainability today requires ongoing progress, not past compliance.

A wide array of public policies, from sustainable finance and circular economy to responsible supply chains and climate action, is tightening requirements, particularly for companies active in the European market. Increasingly, capital and credit markets are linking access to finance with credible sustainability performance, including metrics that assess principal adverse impacts. As these frameworks mature, financial flows are expected to align ever more closely with sustainability outcomes, placing additional emphasis on transparency, accountability, and long-term value creation.

In parallel, the EU Corporate Sustainability Reporting Directive (CSRD) has introduced a comprehensive framework that raises the quality, consistency, and comparability of sustainability information across the European market. This shift reflects a broader trend toward greater corporate transparency and accountability, reinforcing the expectation that sustainability considerations become fully embedded in business strategy and governance.

In Serbia, voluntary ESG disclosure practices have been steadily expanding, complemented by legal reporting requirements for large companies under the Law on Accounting. Yet beyond compliance, sustainability reporting should be viewed as a strategic opportunity - to strengthen stakeholder trust, enhance decision-making, and support long-term business transformation.

This evolving landscape demands strong and forward-looking leadership. Companies must cultivate the capacity to manage complexity, anticipate change, and balance economic performance with societal expectations. True sustainability leadership lies in recognizing that resilience is built not only on financial strength but also on environmental stewardship, social responsibility, and ethical governance.

Sustainability is often associated with obligations and risks - but it also opens space for innovation, efficiency, and long-term growth. By embedding sustainability into core strategy, companies can unlock new markets, attract talent and investment, and build enduring relationships with stakeholders.

## OUR COMMITMENTS

We believe that businesses can and should drive inclusive economic growth while protecting the environment and contributing to social well-being. To this end, we commit to:

- Supporting the development of public policy frameworks that encourage sustainable and responsible business practices.
- Promoting cross-sector collaboration and dialogue to address shared challenges and advance collective solutions.
- Demonstrating integrity and transparency in our own governance and disclosures, aligning with the highest international standards.