

Deutsche Bank establishes ESG-linked finance programme for Epta's supply chain

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Deutsche Bank has launched a sustainability-linked finance programme for Epta's supply chain. This is the first programme of its kind for the leading Group in the commercial refrigeration industry and is designed to provide financial incentives to Epta's suppliers to improve their sustainability performance. Launching initially in Italy, the programme is set to be rolled out globally.

The supply chain finance (SCF) programme means that Epta's suppliers can receive payment immediately after an invoice has been approved by Epta, with the financing costs for the suppliers being based on Epta's creditworthiness. An added benefit of this sustainability-linked SCF is that suppliers can further reduce financing costs in the supply chain if they improve their ESG rating – in this case an ESG rating by the global sustainability rating platform EcoVadis. The more sustainable a supplier operates, the greater the pricing benefit.

On April 20th 2023, Epta had already announced a partnership with EcoVadis, to encourage virtuous growth in environmental, social and governance terms. This partnership is aimed at shaping a responsible ecosystem along the entire supply chain and represents a crucial pillar of the Epta Sustainable Procurement Project.

The Program is designed to build responsible, resilient supply chains and ensure Epta is meeting and exceeding the ever-changing sustainability expectations from our customers, investors and other key stakeholders.

Indeed, thanks to the EcoVadis evaluation model, Epta is able to analyze the performance of each supplier in order to identify its strengths and areas for improvement. Several parameters are examined, including compliance with ESG criteria, work ethics and respect for human rights, with the goal of encouraging the achievement of ever higher standards and steering Epta's ecosystem activities towards a conscious development in all areas of the business, including the relationship with stakeholders.

Paolo Maestri, Head of Corporate Bank Italy, Deutsche Bank, said: "Sustainability plays an increasingly important role for supply chains. By implementing ESG-linked solutions into their supply chain finance programmes we help our clients to develop incentives for their suppliers."

Simone Salani, Epta's Group Purchasing & Procurement Director, added: "The finance programme developed with Deutsche Bank is an additional milestone in our mission of being the green transition Enabler in the commercial refrigeration sector. Less than a year ago we announced the partnership with EcoVadis with the clear goal of stimulating our entire supply chain to be more transparent and sustainable. We are proud to take a further step in this direction and we believe the decision to support our sustainable partners is a strong message to the market and our stakeholders".

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