

2021 Results

Ready for the new Business Plan

Excellent performance with Balance sheet further strengthened



**A strong Bank for a
sustainable world**

ISP delivered excellent 2021 performance...

Best year since 2007 for Net income at €4.2bn (+19% vs FY20⁽¹⁾), €5.3bn excluding additional provisions on NPL portfolios to accelerate NPL deleveraging

€2.9bn cash dividends for 2021, equal to a 70% payout ratio

Best-ever year for Operating income (+1.9% vs FY20⁽²⁾) and Operating margin (+5.4% vs FY20⁽²⁾)

Best-ever year for Commissions (+9.3% vs FY20⁽²⁾), with €90bn growth in Customer financial assets

Decrease in Operating costs (-1.1% vs FY20⁽²⁾), with Cost/Income down to 52.5% (-1.6pp vs FY20⁽²⁾)

€5.7bn gross NPL reduction on a yearly basis (€10.5bn on a pro-forma basis⁽³⁾, of which €7.8bn in Q4⁽³⁾)

Lowest-ever gross NPL inflow coupled with a strong increase in NPL coverage (53.6%, +5pp vs FY20)

Lowest-ever NPL stock and ratios, with gross NPL ratio at 2.4%⁽⁴⁾ and net NPL ratio at 1.2%⁽⁴⁾ (<2% and <1% on a pro-forma basis⁽³⁾⁽⁴⁾)

Excellent performance despite COVID-19 impact while successfully merging UBI Banca and paving the way for the new Business Plan

(1) Excluding the accounting effect of the combination with UBI Banca and goodwill impairment

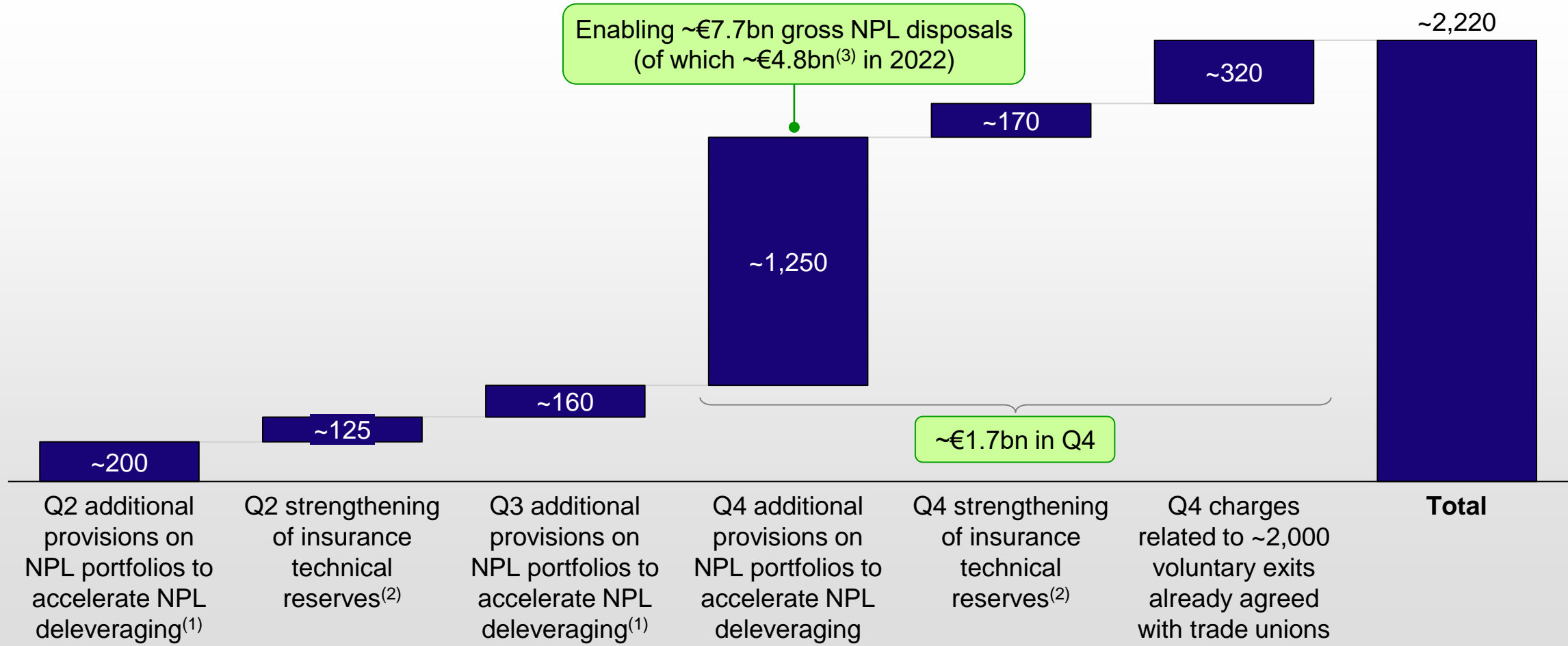
(2) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

(3) Taking into account ~€4.8bn gross (~€1.5bn net) 2022 NPL disposals already funded in 4Q21 and still booked in NPL as at 31.12.21

(4) According to EBA definition

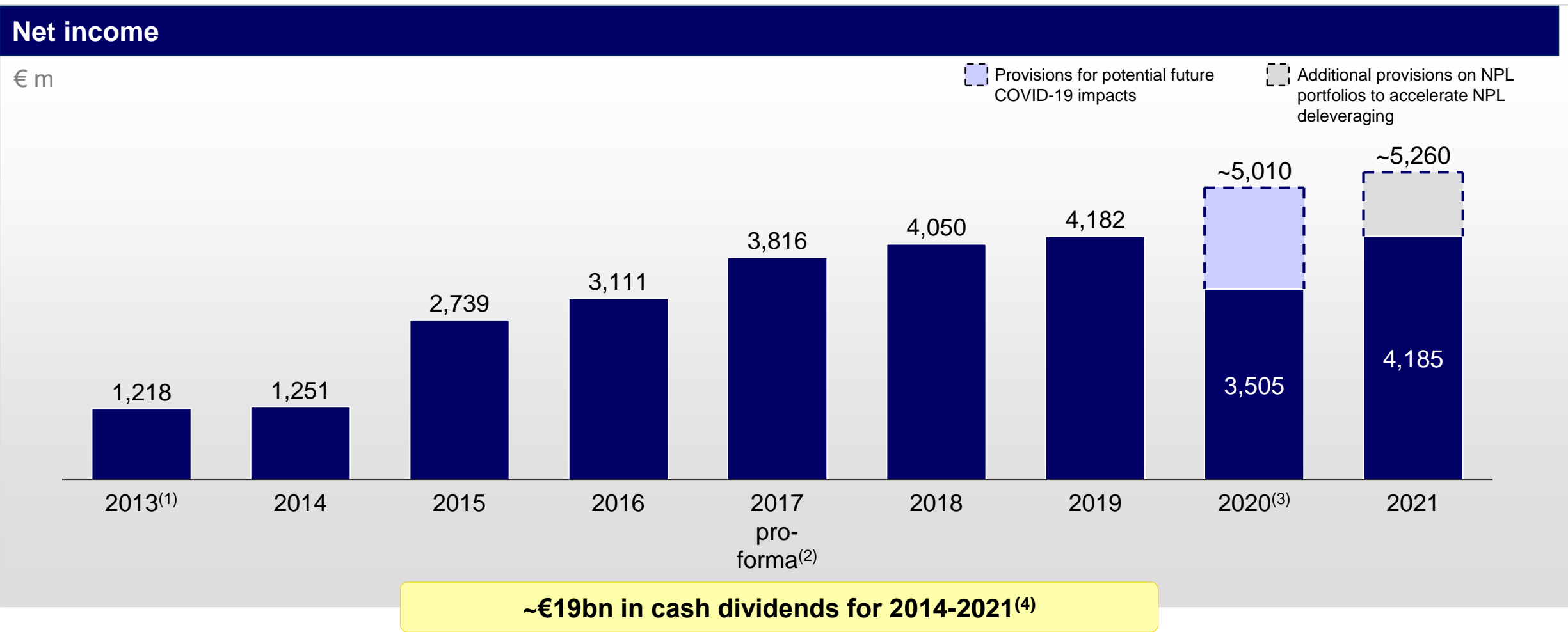
... allocating €2.2bn out of 2021 Pre-tax profit to succeed in the coming years

Pre-tax, € m



Note: figures may not add up exactly due to rounding
 (1) Q2 and Q3 additional provisions enabling a total of ~€1.5bn gross NPL disposals
 (2) Booked in Net provisions and Net impairment losses on other assets
 (3) Still booked in NPL as at 31.12.21

ISP is a proven delivery machine, with Net income structurally growing since 2013 and already at a €5bn run rate

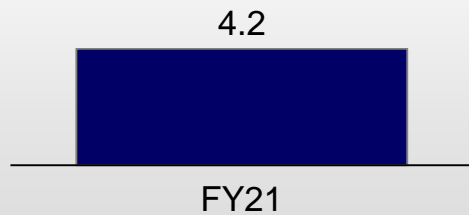


(1) Excluding goodwill and intangible assets impairment
 (2) Management data including the contribution of the two former Venetian banks – excluding public cash contribution – and the Morval Group consolidation
 (3) Excluding the accounting effect of the combination with UBI Banca and goodwill impairment
 (4) Including €1.5bn to be paid in May 2022, related to 2021

All stakeholders benefit from our excellent performance

Shareholders

Net income, € bn



€2.9bn cash dividends⁽¹⁾

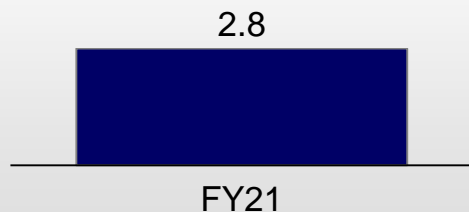
Employees

Personnel expenses, € bn



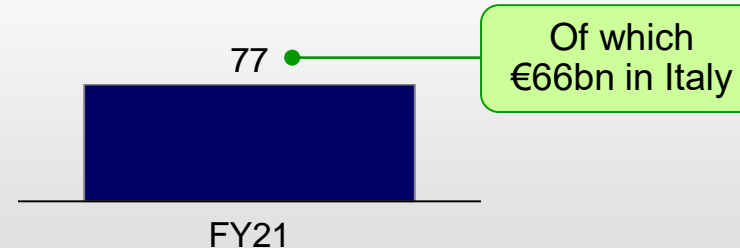
Public sector

Taxes⁽²⁾, € bn



Households and businesses

Medium/Long-term new lending, € bn



~10,000 Italian companies helped to return to performing status⁽³⁾ in 2021 (~133,000 since 2014)

(1) Including €1.4bn paid as an interim dividend on 24.11.21

(2) Direct and indirect

(3) Deriving from Non-performing loans outflow

ISP successfully mitigating the COVID-19 impact...

Care for ISP People and clients

ISP People



- Remote working enabled for ~78,000 people, with digital coach to support the switch to smart working and share best practices
- Agreements with trade unions for **extraordinary measures** to support **families and childcare** and to **compensate for COVID-19** work absences in the **variable performance bonus**⁽¹⁾ calculation
- Digital learning** enabled for **all ISP People in Italy**
- 6 additional days** of paid leave in 2020 for ISP People who worked in the **branch network** or were unable to work **remotely**
- ~2,400 people hired⁽²⁾ since January 2020
- “**Ascolto e Supporto**” project offering mental wellness support to all ISP People
- Free insurance policy for adverse vaccination reactions** offered to all employees in Italy

ISP Clients



- ~100% of branches open and fully operational: advisory only by appointment and cash desk service by appointment only in the Italian areas with a higher level of COVID restrictions
- Business continuity ensured** by the online branch, Internet Banking, App and ATM/Cash machines (98% active)
- Activated **remote advisory service**, with ~30,800 Relationship Managers
- Free extension** of ISP health insurance policy coverage to include COVID-19

Continuous support to the real economy and society

Voluntary donations



- €100m to the **National Health System** through the Civil Protection Department
- €10m to support **families in financial and social difficulty**
- €6m from CEO (€1m) and top management for **healthcare initiatives**, with additional voluntary donations from ISP People and Board of Directors through ForFunding to **Civil Protection Department**
- €3.5m from ISP Charity Fund for **COVID-19 scientific research**
- €1m from **Fondazione Intesa Sanpaolo Onlus for vulnerable individuals**
- €600k to **Associazione Nazionale Alpini** for a field hospital in Bergamo
- €350k to **NGO WellGiving in Slovakia**, to support hospitals during the COVID-19 emergency
- €200k

Lending support

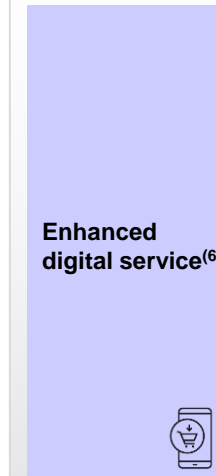


- €115bn⁽³⁾ **suspension of existing mortgage and loan installments** for families and companies
- €50bn⁽⁴⁾ in **credit made available to support companies and professionals** during the emergency
- €32bn in **loans with a State guarantee**
- €10bn⁽⁴⁾ in new credit facilities to boost ~2,500 **Italian industrial supplier chains**
- €11bn in **loans with a SACE guarantee**
- €80m **Programma Rinascimento**, including impact loans to micro-enterprises and start-ups for the recovery and re-shaping of their business models

€150m (equal to 50%) of the ISP Fund for Impact will be used to reduce the socio-economic distress caused by COVID-19

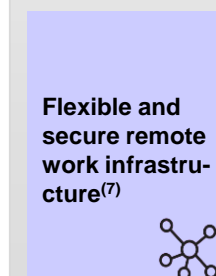
Strong value proposition on digital channels enabled immediate business reaction

FY21⁽⁵⁾ vs FY20



Enhanced digital service⁽⁶⁾

Multichannel clients	~12.9m, ~+1.3m
App users (4.6/5.0 rating on iOS ⁽⁸⁾ and 4.5/5.0 on Android ⁽⁸⁾)	~8.1m, ~+1.1m
# of digital operations	~163.6m, +13%
# of digital sales⁽⁹⁾	~3.6m, +76%
# of digital payments⁽¹⁰⁾	~47.4m, +122%



Flexible and secure remote work infrastructure⁽⁷⁾

Conference call/ video conference (average usage per day in 2021)	~328k
Instant messaging (average usage per day in 2021)	~410k

(1) Premio Variabile di Risultato
(2) Italian perimeter including UBI Banca
(3) Suspensions granted until 31.12.21 (flows), including renewals, including UBI Banca and considering the disposal of branches sold in 1H
(4) As of 31.12.21, including UBI Banca and considering the disposal of branches sold in 1H
(5) Including UBI Banca and considering the disposal of branches sold in 1H
(6) Banca dei Territori perimeter
(7) Italian perimeter
(8) As of 31.12.21
(9) Commercial offer sent to the client (website or App) by Relationship manager or online branch, signed electronically by the clients, or self-service purchases
(10) Number of payments with digital wallet (e.g. Apple Pay, Samsung Pay, Google Pay)
(11) Italian Association of Corporate Security Professionals

- ISP ranked first, for the second consecutive year, among Italian corporates in the “Cyber Resilience amid a Global Pandemic” by AIPSA⁽¹¹⁾
- Our mobile app recognised as “Digital Leader” and cited as Best Practice in several categories among the European Mobile Banking Apps by Forrester
- ISP “AI Sales” awarded as best digital sales innovation program

... while being the engine of sustainable and inclusive growth with a dedicated ESG/Climate program (ISP4ESG)...

Objectives	<ul style="list-style-type: none"> ▪ Consolidating Group leadership around ESG/Climate topics ▪ Identification and prioritising of ESG/Climate initiatives most relevant for the Group
Governance	<ul style="list-style-type: none"> ▪ Specific sessions of the Executive Committee that meets at least every 3 months to discuss ESG/Climate topics ▪ Dedicated ESG Control Room, including 17 Sustainability Managers from all Divisions and Governance areas, coordinated through a central ISP4ESG team, to support the Executive Committee in defining priorities and new initiatives
Initiatives (selected highlights)	<ul style="list-style-type: none"> ▪ Dedicated ESG advisory service and ESG-linked loans to SMEs ▪ ESG specialist coverage and product team supporting IMI C&IB Division Relationship Managers and clients ▪ Strong focus on ESG funds (~€110bn⁽¹⁾ managed by Eurizon) ▪ Strategic framework and product working group aimed at defining the guidelines for sustainable products for the Group and a credit framework that integrates ESG/Climate metrics in accordance with relevant regulations ▪ In July 2021, ISP reviewed its Coal Policy including a phase out of coal mining by 2025, and introduced a new policy on Unconventional Oil & Gas resources with immediate termination of new loans and phase out by 2030 ▪ ISP has developed a proprietary ESG Scoring methodology at counterparty level for non-financial corporates and is integrating it into the credit risk appetite framework ▪ Dedicated ESG training within the ISP4ESG Program for ISP People (>38,000 trained) and corporate clients (Skills4capital) ▪ ISP's green fleet of hybrid vehicles strengthened ▪ In September 2021, ISP committed to adopt and implement the Stakeholder Capitalism Metrics developed by the World Economic Forum

In Q4, ISP committed to Net-Zero emissions⁽²⁾ by 2050, adhering to all Net-Zero alliances⁽³⁾

(1) As of 31.12.21 classified under Articles 8 and 9 of the SFDR Regulation
 (2) Own emissions, lending and asset management
 (3) Net-Zero Banking Alliance, Net-Zero Asset Managers Initiative, Net-Zero Asset Owner Alliance and Net-Zero Insurance Alliance

... and delivering tangible results for society

In 2021, **evaluated ~780 startups** (~3,420 since 2018) in **7 acceleration programs**, with **209 coached startups** (~600 since 2018), introducing them to selected investors and ecosystem players (~6,150 to date)

Circular Economy credit plafond: ~€7.7bn disbursed since inception (~€5.5bn in 2021)

In October 2021, ISP launched **Digital Loans (D-Loans)** aimed at improving the digitalisation of companies: €1.1m disbursed since the launch

Green Bond issued in March 2021 for **€1.25bn** focused on **green mortgages** granted for the construction or purchase of energy efficient properties (energy classification A and B); the orderbook **exceeded €3.5bn**

Three other Green Bonds issued in 2019 and 2017 for a total amount of €1.75bn (€750m **Circular**, €500m **renewables** and **energy efficiency** and €500m **renewable energy sectors** by UBI)

In July 2020, **ISP allocated a €2bn plafond for S-Loans** (~€1.3bn granted since launch, of which ~€1.2bn in 2021) dedicated to SMEs to finance projects aimed at improving their sustainability profile
In April 2021, the product offer was expanded with **S-Loan Diversity**, in July 2021 with **S-Loan Climate Change** and in November 2021 with **S-Loan Agribusiness** and **S-Loan Tourism**. All S-Loans have a reduced interest rate, subject to annual monitoring of 2 ESG KPIs that must be reported in the borrower's annual report. The **S-Loans** and **Circular Economy loans** may be eligible for the SACE Green agreement

Initiatives to **reduce child poverty** and **support people in need** well ahead of Business Plan target, delivering since 2018:

- ~24.8 million meals
- ~1.5 million dormitory beds
- ~296,250 medicine prescriptions
- ~249,200 articles of clothing

ISP's "**Giovani e Lavoro**" Program, in partnership with **Generation Italy**, aimed at **training and introducing 5,000 young people to the Italian labour market:**

~9,000 young people (aged 18-29) applied to the Program in 2021 (more than 24,000 since 2019). More than **1,600** students interviewed and ~750 students trained/in training through 29 courses in 2021 (more than 5,200 students interviewed and more than 2,200 students trained/in training since 2019). More than **2,000 companies** involved since the beginning of the Program

ISP is the Main Sponsor of **Generation4Universities**, developed by **Generation Italy** and **McKinsey & Co**, aimed at facilitating talented senior-year university students - facing difficulty in living up to their potential due to external factors - to start a successful professional career.

The Program, which ended in July, involved 70 students from 31 universities and 18 top-tier Italian corporations as potential employers

P-Tech initiative, in partnership with **IBM**, aimed at training young professionals in new digital skills:

3 webinars a year for all participants, a 3-day workshop for those interested in finance and mentoring activities with 20 ISP mentors for 40 young professionals

Ecobonus: ISP ready to buy tax credits to support families, condominiums and businesses through modular and flexible financial solutions benefitting from the provisions of the "Decreto Rilancio" which raise the deduction to 110% for expenses related to energy efficiency and measures to reduce seismic risk

Donated €100m to strengthen the National Health System through the **Civil Protection Department** across Italy, and in particular in the most affected areas of Bergamo and Brescia. 16 hospitals and 3 COVID-19 Emergency Centres have benefitted from the donation with the creation of 36 new hospital wards and 500 hospital beds mainly in Intensive and Sub-Intensive Care Units

€10m to support families in financial and social difficulty due to the COVID-19 crisis, of which **€5m** donated to **Ricominciamo Insieme** project of the **Diocese of Bergamo** and **€5m** donated to the **Diocese of Brescia**

€6m in donations coming from the **CEO (€1m)** and **top management's 2019 variable compensation**, to strengthen healthcare initiatives, with **additional voluntary donations** coming from **ISP People and Board**

€3.5m donated through **ForFunding** – the ISP crowdfunding platform – to support **Civil Protection Department COVID-19 initiatives**

€1m allocated from the **ISP Charity Fund** to boost **COVID-19 scientific research**

€600k intervention by the **Fondazione Intesa Sanpaolo Onlus** to support entities that have guaranteed **primary services** and **direct assistance** to vulnerable individuals

€350k donated to **ANA⁽¹⁾** to accelerate the construction of a **field hospital** in Bergamo

€200k to **NGO WellGiving** in **Slovakia**, to support hospitals during the COVID-19 emergency

€115bn⁽²⁾ suspension of existing mortgage and loan installments for families and companies (1st in Italy to launch the initiative before the regulation came into force)

€50bn in credit made available to support companies and professionals aimed at protecting jobs and managing payments during the emergency

€32bn⁽³⁾ in loans with a State guarantee

€10bn in new credit facilities to boost ~2,500 Italian industrial supplier value chains through enhancement of the **Sviluppo Filiere** Program

€11bn⁽³⁾ in loans with a guarantee from SACE (1st in Italy to sign the collaboration protocol with SACE, providing immediate support to large corporates and SMEs under Liquidity Decree)

€80m Programma Rinascimento, including impact loans to micro-enterprises and start-ups, for the **recovery and to re-shape their business models** for the post COVID-19 era, leveraging on growth and innovation projects, boosting economic growth and social and territorial cohesion. Launched in Bergamo (€30m, in partnership with the Municipality) and in Florence (€50m, in partnership with CR Firenze Foundation)

Gallerie d'Italia: 14 new exhibitions opened in 2021. In Q4: "The Grand Tour" at *Gdl-Milan*, in partnership with Hermitage Museum-St. Petersburg and *Museo Archeologico Nazionale-Naples*, accompanied by an innovative digital experience: "How we will be" at *Gdl-Vicenza*, a selection of photos from the ISP Publifoto Archive; two paintings by Cima da Conegliano, "Illustrious guests" at the Turin Skyscraper from *Petit Palais-Paris* and *Pinacoteca Nazionale-Bologna*. The construction sites of the new *Gdl* in Turin and Naples have advanced considerably

Museum for all: among the initiatives dedicated to social inclusion, opening of the educational-exhibition project "Clay. Stories of Vases" set up at *Gdl-Vicenza*, in collaboration with *Università degli Studi-Padua*, equipped with audio, video and tactile supports to be widely accessible

In 2021, **166 artworks** from owned collections participated in **44 temporary exhibitions** in national and international museums

Important partnerships with public and private entities: Artissima-International Contemporary Art Fair in Turin with enhancement of masterpieces from the ISP collections; International Book Fair, Turin; Municipality of Milan, support for the traditional Christmas exhibition in Palazzo Marino "The Renaissance in Bergamo and Brescia"



ISP Fund for Impact launched in 4Q18 (~€1.5bn lending capacity). Main initiatives:

"**Per Merito**", the first line of credit without collateral dedicated to university students residing in Italy, studying in Italy or abroad; €71m granted in 2021 (~€162m since the beginning of 2019)

MAMMA@WORK: a highly-subsidised loan launched in July 2020 to balance motherhood and work in their children's early years of life (~€0.8m in 2021; ~€1m granted since the launch)

Support to **working mothers** in India and **people** over 50 who have **lost their jobs** or have **difficulty accessing pension schemes**

"**Per Esemplio**" – dedicated to Civil Service volunteers, "**per Crescere**" dedicated to school age children's parents, "**per avere Cura**" for families with non-self-sufficient relatives. All 3 initiatives launched in **July 2021**

XME StudioStation launched in August 2020: loans to families to support distance learning (~€0.5m granted in 2021; ~€1.7m granted since launch)

(1) Associazione Nazionale Alpini

(2) Suspensions granted until 31.12.21 (flows), including renewals, including UBI Banca and considering the disposal of branches sold in 1H

(3) As of 31.12.21, including UBI Banca and considering the disposal of branches sold in 1H

ISP leads in the main sustainability indexes and rankings



The only Italian bank listed in the Dow Jones Sustainability Indices. Ranked first among peers by Bloomberg (ESG Disclosure Score), Sustainalytics and MSCI



In 2021 ranking by Institutional Investor, ISP was Europe's Best Bank and Italy's Best Company for ESG Aspects

In October 2021, ISP was included in the Euronext - Borsa Italiana MIB ESG Index

Top ranking⁽¹⁾ for Sustainability

	Bloomberg	CDP	MSCI	S&P Global	SUSTAINALYTICS
ISP	67	A	AAA	99	16.8
BBVA	62	A-	AAA	99	20.6
SOCIETE GENERALE	57	A-	AAA	97	20.7
Santander	57	A-	AA	94	21.7
ING	56	A-	AA	94	22.2
UBS	56	A-	AA	94	22.4
CREDIT SUISSE	55	A-	AA	93	22.5
ING	55	B	AA	92	22.6
ING	54	B	AA	92	23.3
LLOYDS BANK	54	B	AA	81	23.9
CREDIT AGRICOLE	54	B	AA	79	24.1
BARCLAYS	54	B	AA	78	24.5
ISP	54	B	AA	71	24.9
UniCredit	54	B	A	70	25.6
HSBC	53	B	A	70	27.4
COMMERZBANK	50	B	A	69	27.8
Nordea	46	F	A	65	28.2

STOXX

Member 2021/2022
ESG Leaders
Indices



Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA
Sustainability Award
Bronze Class 2022
S&P Global



REFINITIV
TOP 100 COMPANY 2021
Diversity and Inclusion Index



(1) ISP peer group

Source: Bloomberg ESG Disclosure Score (Bloomberg as of 31.12.21), CDP Climate Change Score 2021 (<https://www.cdp.net/en/companies/companies-scores>); MSCI ESG Score (<https://www.msci.com/esg-ratings>) data as of 31.12.21; S&P Global (Bloomberg as of 31.12.21); Sustainalytics score (<https://www.sustainalytics.com/> ESG Risk Rating as of 31.12.21)

2021: excellent performance

Ready for the new Business Plan

2021: highlights

- **Excellent economic performance** despite COVID-19 impact while successfully merging UBI Banca and paving the way for the new Business Plan:
 - ❑ **Best year since 2007 for Net income at €4,185m (+19.4% vs FY20⁽¹⁾)**
 - ❑ **€179m Net income in Q4, with the best quarter ever for Commissions and €1.7bn Pre-tax income allocated to succeed in the coming years (€2.2bn in FY21)**
 - ❑ **Best-ever year for Operating income (+1.9% vs FY20⁽²⁾) and Operating margin (+5.4% vs FY20⁽²⁾)**
 - ❑ **Best-ever year for Commissions (+9.3% vs FY20⁽²⁾), with €90bn growth in Customer financial assets**
 - ❑ **Decrease in Operating costs (-1.1% vs FY20⁽²⁾) with Administrative costs down 5.8%**
 - ❑ **Cost of risk at 59bps⁽³⁾ (25bps⁽³⁾ excluding additional provisions on NPL portfolios to accelerate NPL deleveraging)**
 - ❑ **Lowest-ever gross NPL inflow coupled with a strong increase in NPL coverage (53.6%, +5pp vs FY20)**
- **Best-in-class capital position and balance sheet further strengthened:**
 - ❑ **Common Equity ratio at 15.2%⁽⁴⁾, 14.0% fully phased-in (14.2% and 12.9% pro-forma considering the impact from the 2022 buyback⁽⁵⁾), well above regulatory requirements even under the EBA stress test adverse scenario**
 - ❑ **€5.7bn gross NPL stock reduction in FY21 (€10.5bn on a pro-forma basis⁽⁶⁾, of which €7.8bn in Q4⁽⁶⁾)**
 - ❑ **Lowest-ever NPL stock and ratios, with gross NPL ratio at 2.4%⁽⁷⁾ and net NPL ratio at 1.2%⁽⁷⁾ (<2% and <1% on a pro-forma basis⁽⁶⁾⁽⁷⁾)**
 - ❑ **Best-in-class leverage ratio: 6.6%**
 - ❑ **Strong liquidity position: LCR and NSFR well above 100%; €335bn in Liquid assets**

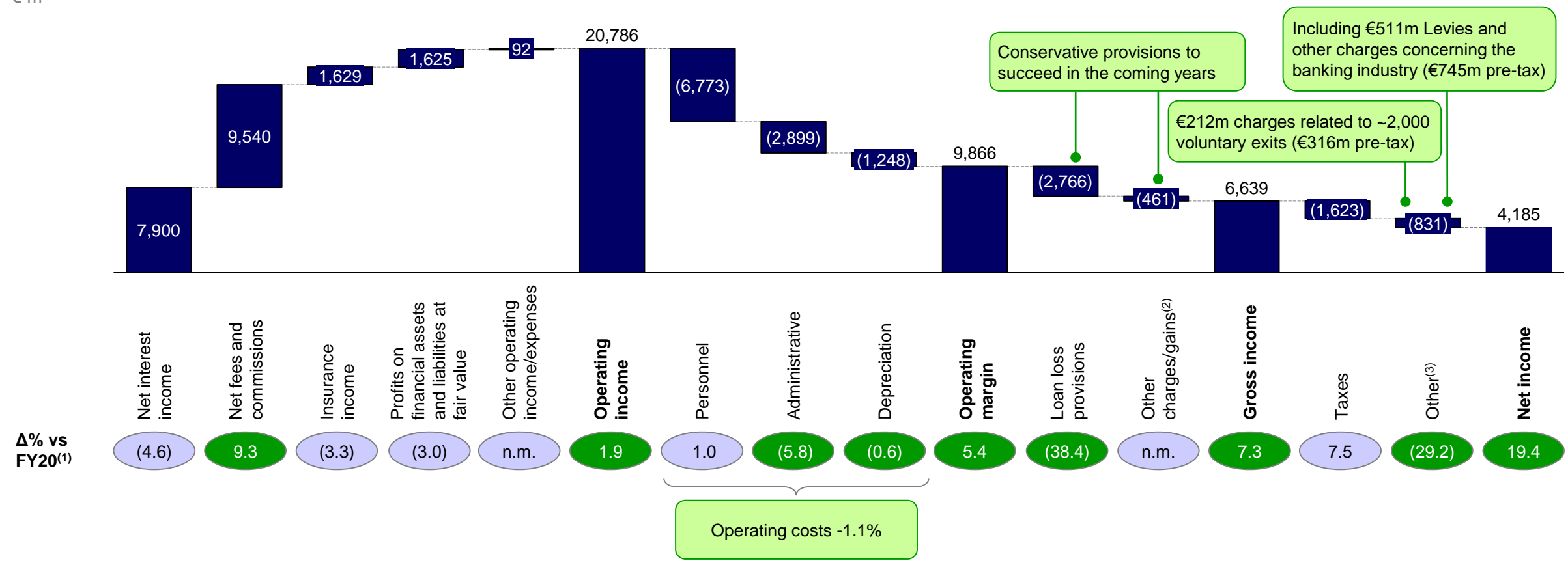


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 (4) Pro-forma fully loaded Basel 3 (31.12.21 financial statements considering the total absorption of DTA related to IFRS9 FTA, goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, DTA related to the combination with UBI Banca and to the new agreement with trade unions signed on 16.11.21, the expected absorption of DTA on losses carried forward and the expected distribution on FY21 Net income of insurance companies)
 (5) €3.4bn buyback subject to ECB and shareholder approval. Buyback amount equivalent to 2019 suspended dividend
 (6) Taking into account ~€4.8bn gross (~€1.5bn net) 2022 NPL disposals already funded in 4Q21 and still booked in NPL as at 31.12.21
 (7) According to EBA definition

2021: strong growth in profitability thanks to solid operating performance while paving the way for the new Business Plan

FY21 P&L – considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

€ m



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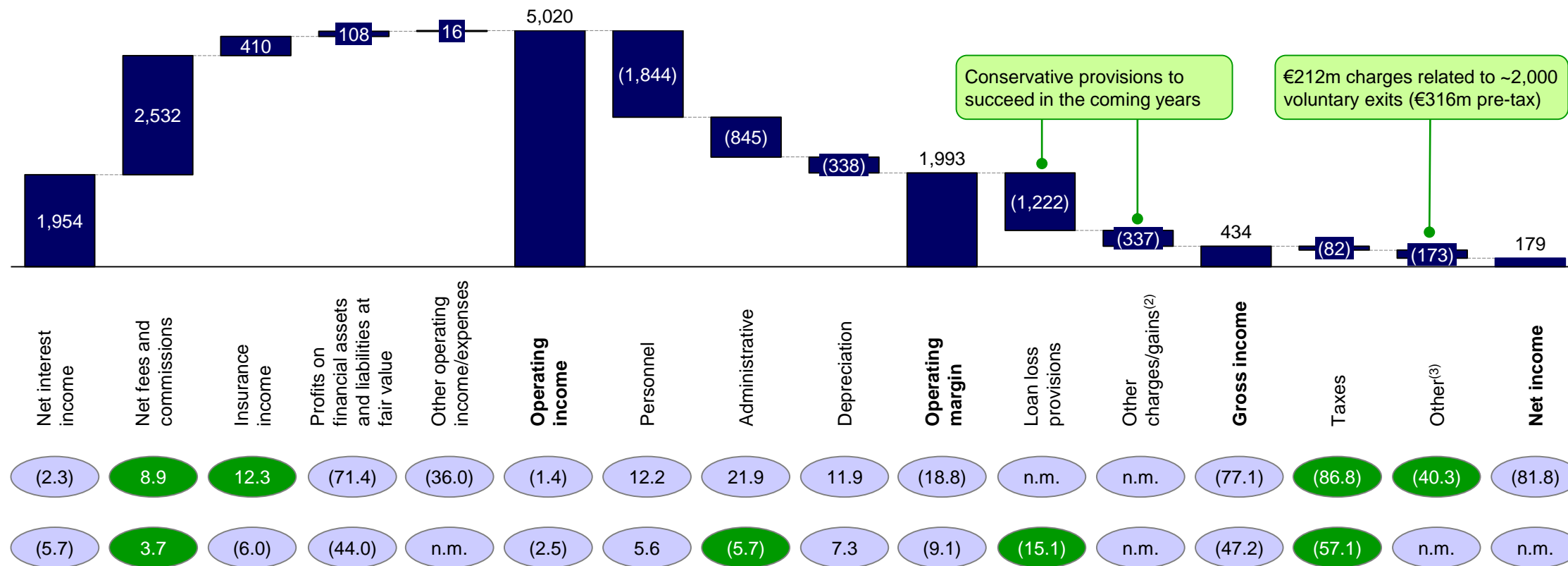
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(2) Net provisions and net impairment losses on other assets, Other income (expenses), Income (Loss) from discontinued operations

(3) Charges (net of tax) for integration and exit incentives, Effect of purchase price allocation (net of tax), Levies and other charges concerning the banking industry (net of tax), Impairment (net of tax) of goodwill and other intangible assets, Minority interests

Q4: best quarter ever for Commissions and €1.7bn Pre-tax income allocated to succeed in the coming years

4Q21 P&L
€ m



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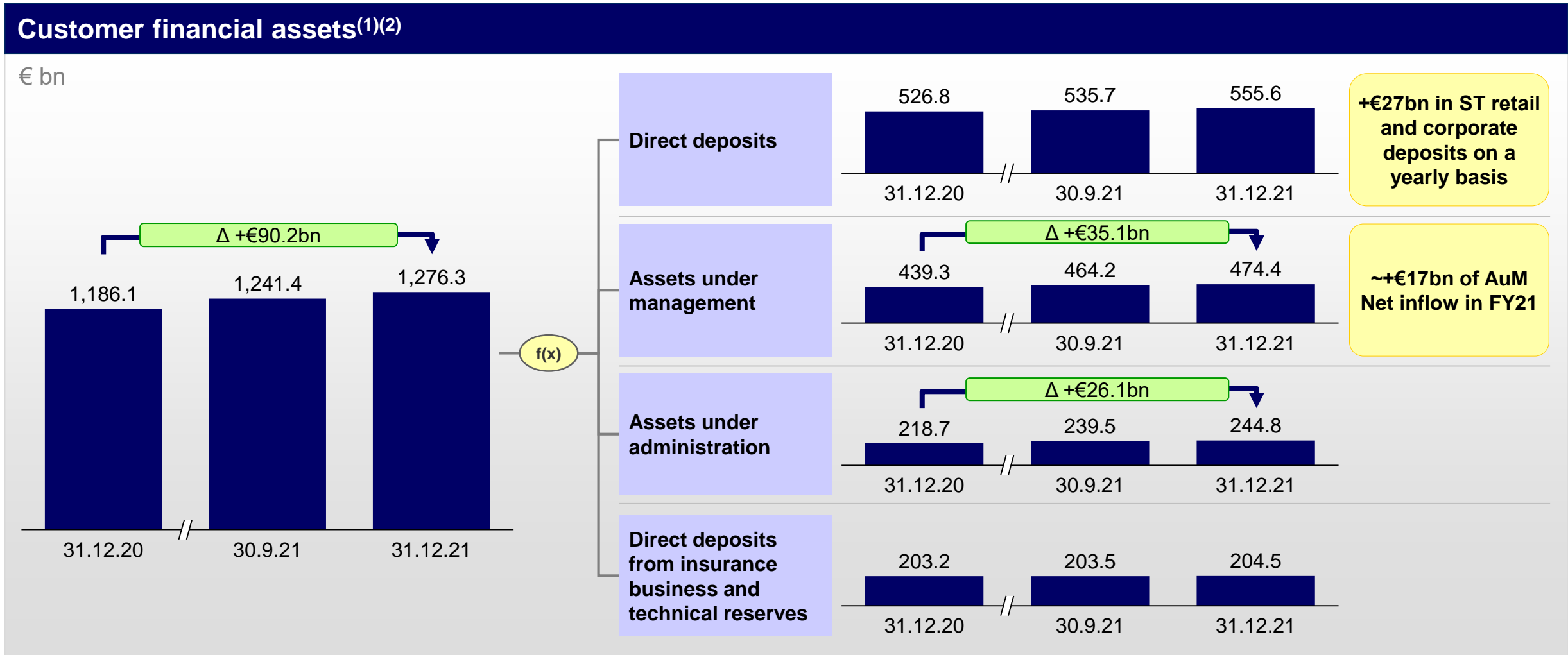
Best-ever year for Commissions



(1) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

(2) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

~€1.3 trillion in Customer financial assets, with a €90bn increase on a yearly basis



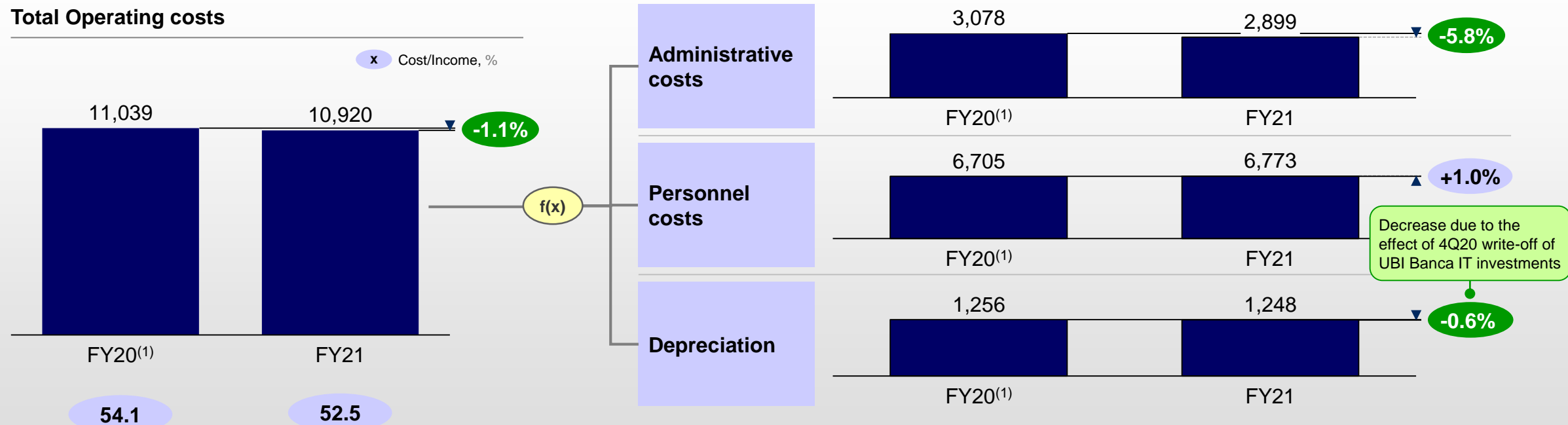
Note: figures may not add up exactly due to rounding
 (1) Net of duplications between Direct deposits and Indirect customer deposits
 (2) Including UBI Banca, considering the disposal of branches sold in 1H21 and the full line-by-line consolidation of the REYL Group and Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21)

Continued Cost reduction while investing for growth

Operating costs

€ m

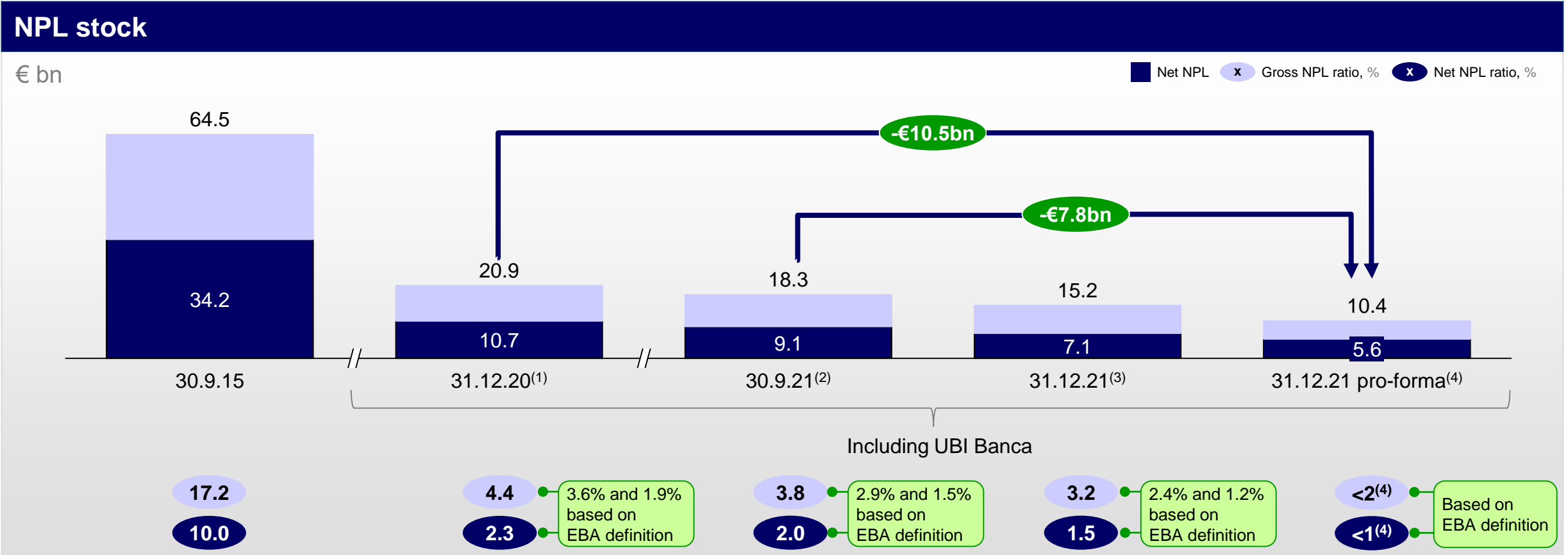
Total Operating costs



- ~3,380 headcount reduction on a yearly basis
- ~7,200 voluntary exits by 2023 – of which ~2,850 exited in 2021 and ~700 as of 1.1.22 – related to the combination with UBI Banca, previously agreed with Labour Unions and already fully provisioned (with 3,500 hires by 1H24)
- Further ~2,000 voluntary exits by 1Q25 agreed in November with Labour Unions and already fully provisioned in Q4 (with 1,100 hires by 2025)

(1) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

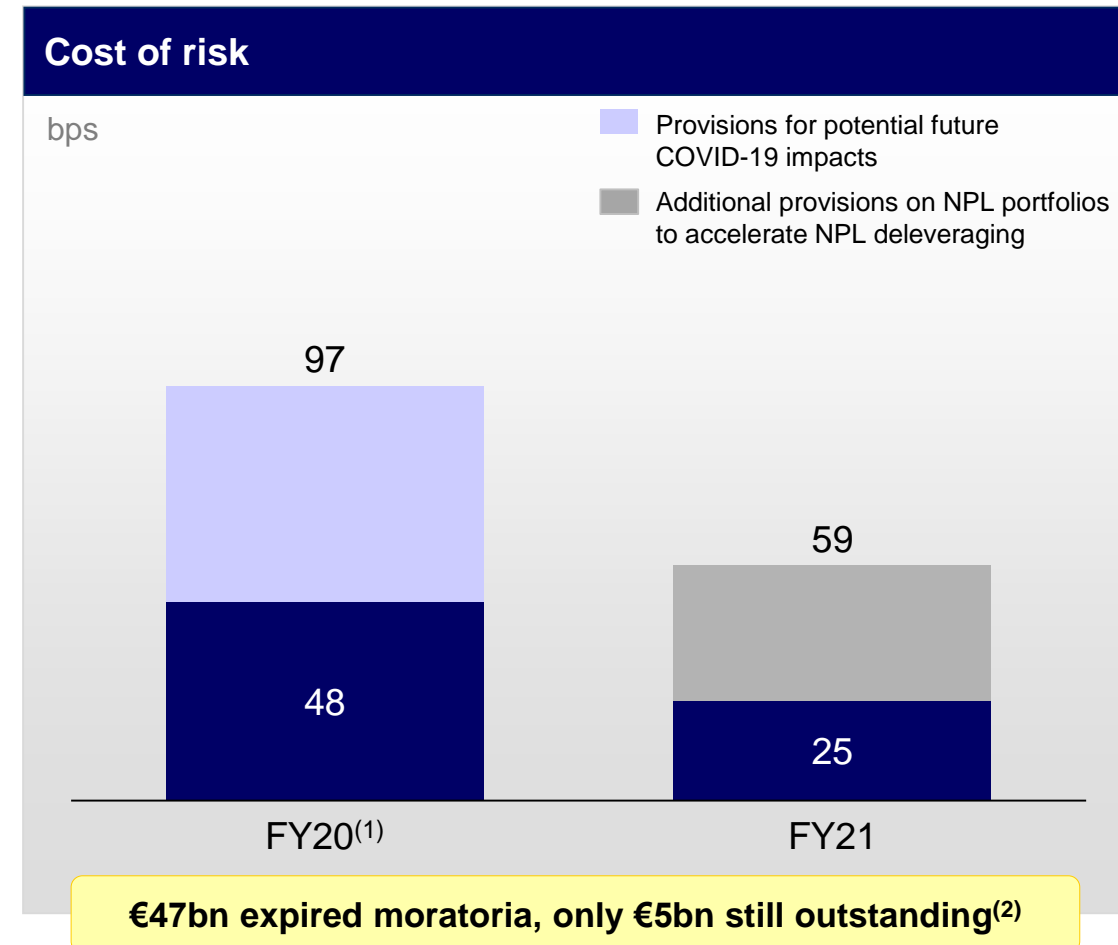
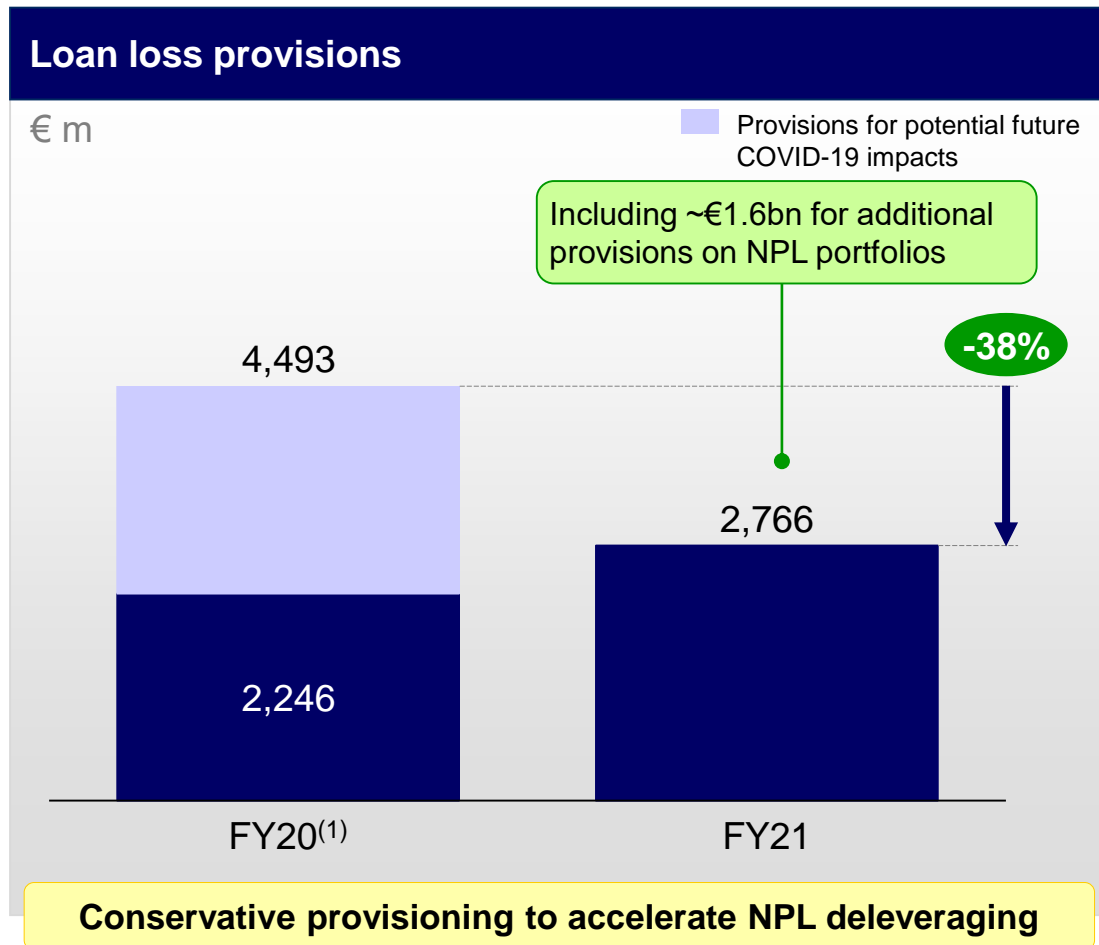
Massive NPL stock reduction



25th quarter of continuous deleveraging, with 2018-21 NPL deleveraging target exceeded by €11bn, €16bn on a pro-forma basis⁽⁴⁾

Note: figures may not add up exactly due to rounding
 (1) Excluding €5.4bn gross NPL (€2.1bn net) booked in Discontinued operations
 (2) Excluding €4.7bn gross NPL (€1.7bn net) booked in Discontinued operations
 (3) Excluding €4.5bn gross NPL (€1.2bn net) booked in Discontinued operations
 (4) Taking into account ~€4.8bn gross (~€1.5bn net) 2022 NPL disposals already funded in 4Q21 and still booked in NPL as at 31.12.21

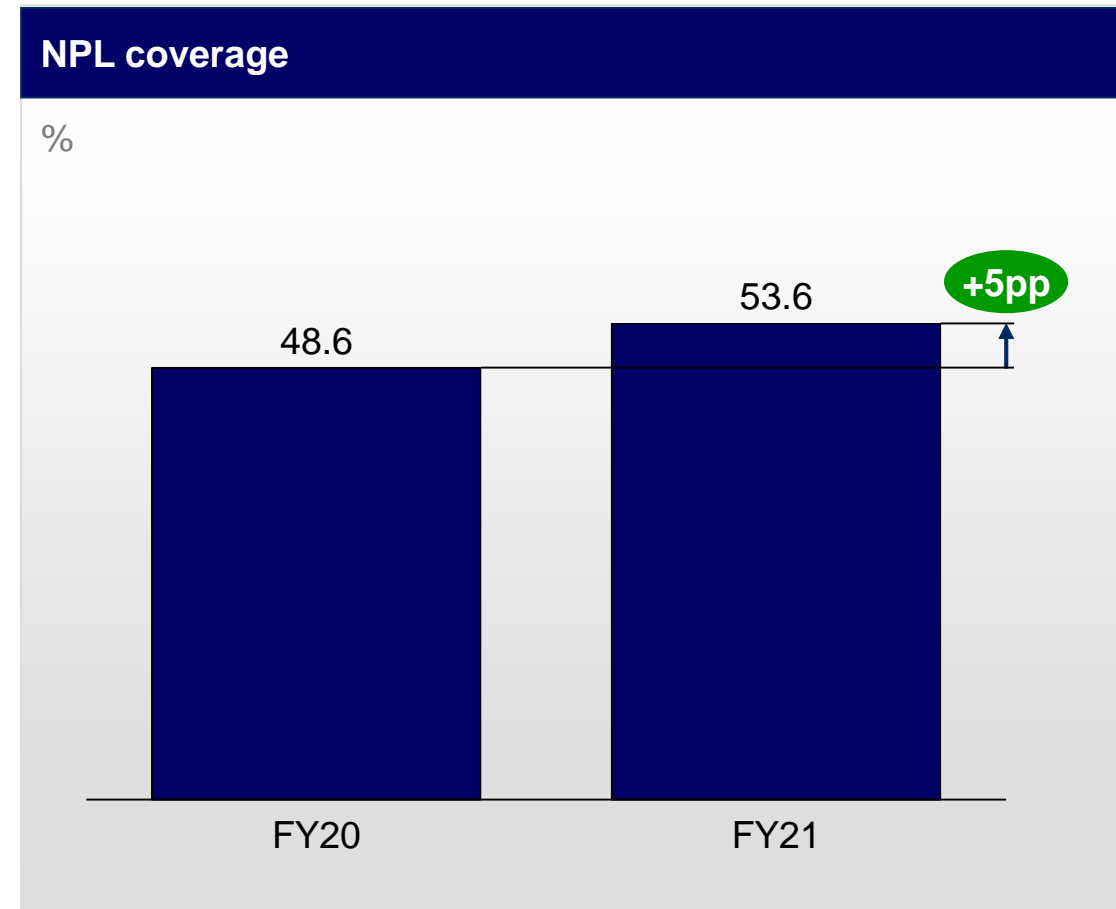
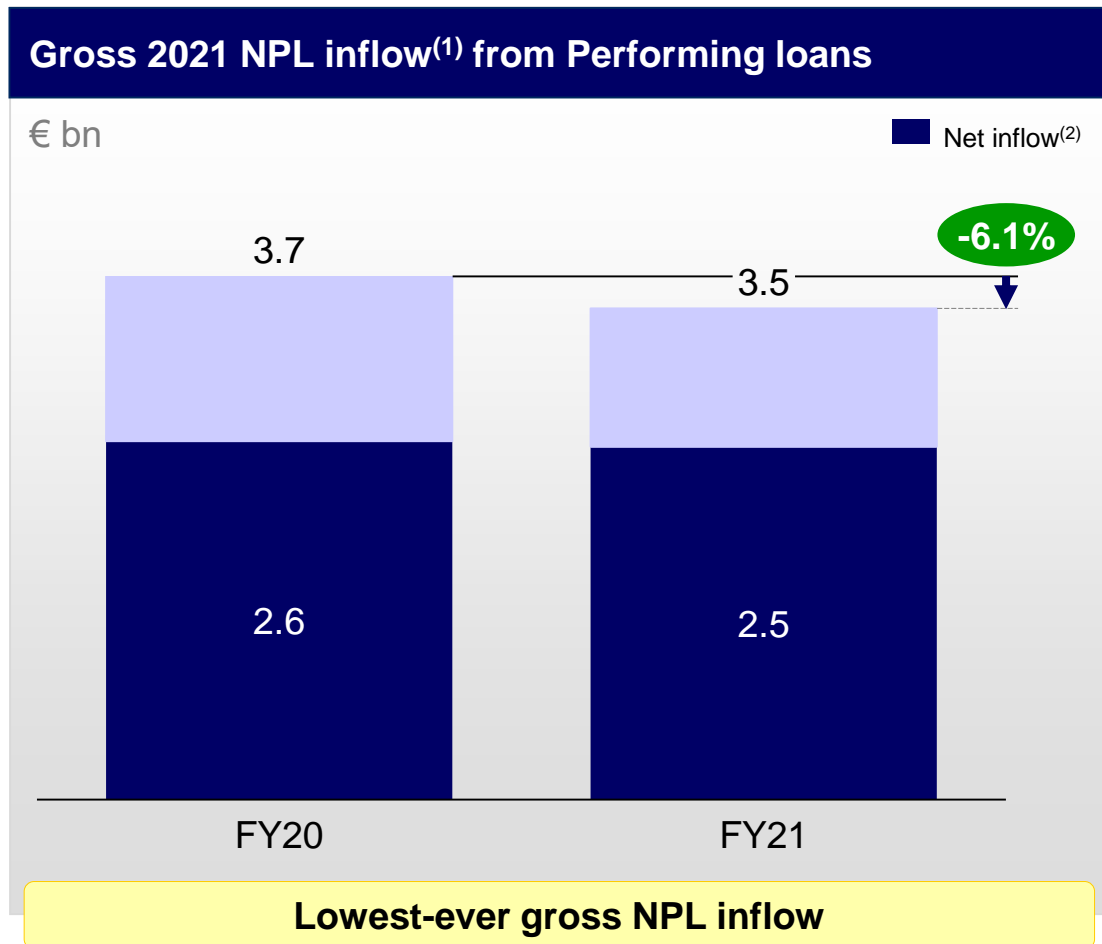
Strong reduction in Loan loss provisions and Cost of risk...



(1) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

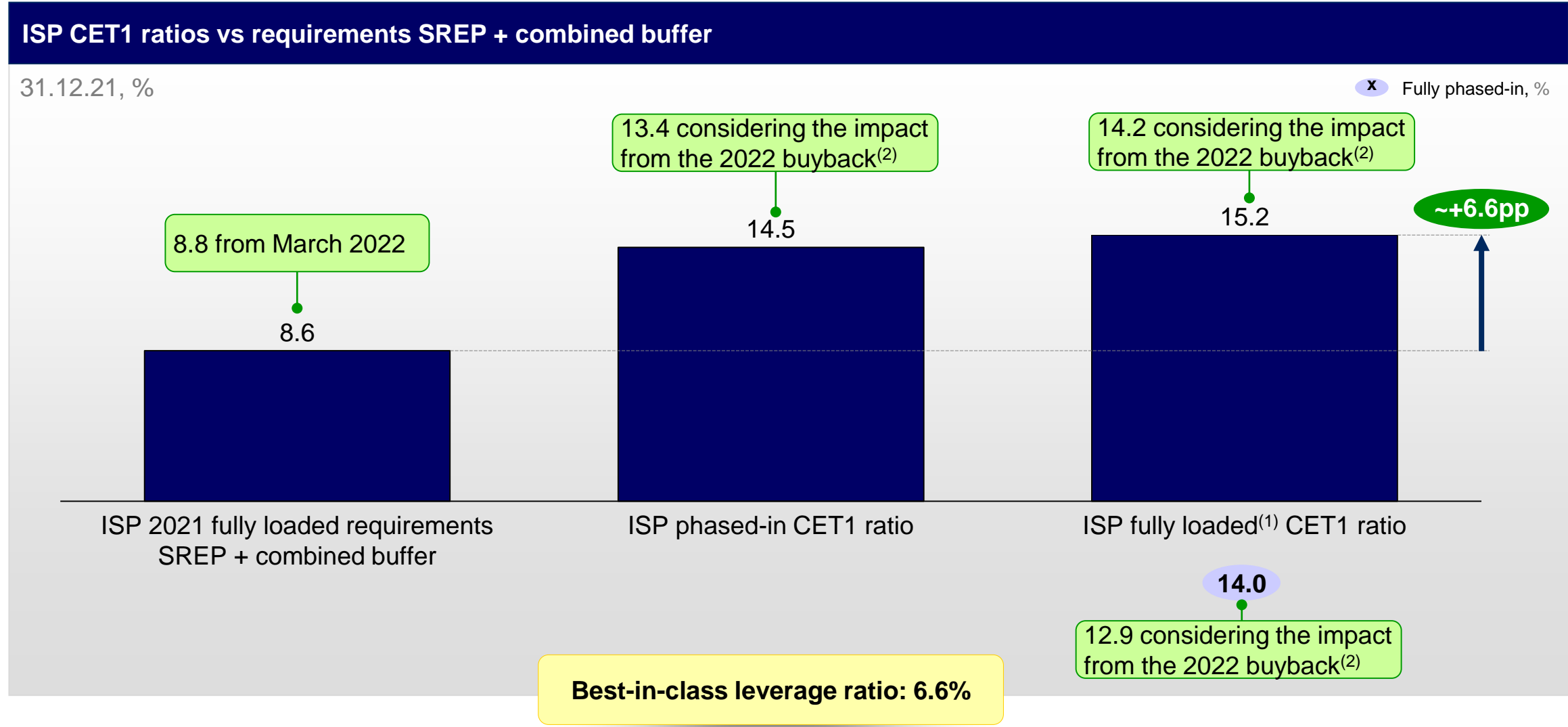
(2) As at 31.12.21

... coupled with lowest-ever gross NPL inflow and increased coverage



(1) Inflow to NPL (Bad loans, Unlikely to pay and Past due) from Performing loans
 (2) Inflow to NPL (Bad loans, Unlikely to pay and Past due) from Performing loans minus outflow from NPL into Performing loans

Rock-solid capital base, well above regulatory requirements



Note: figures may not add up exactly due to rounding

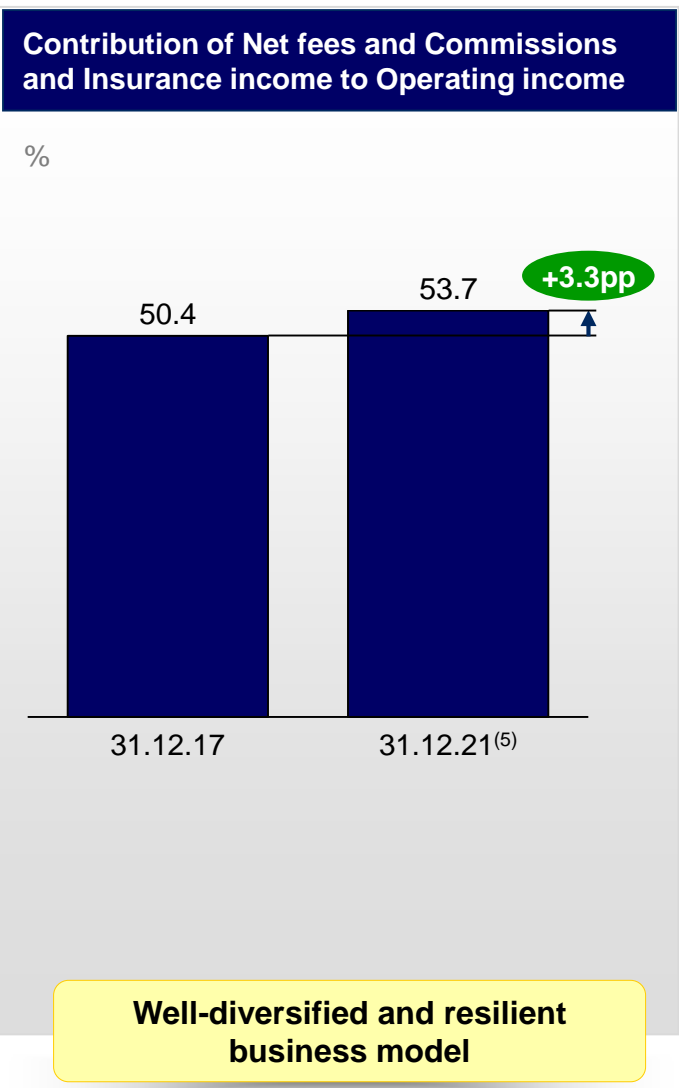
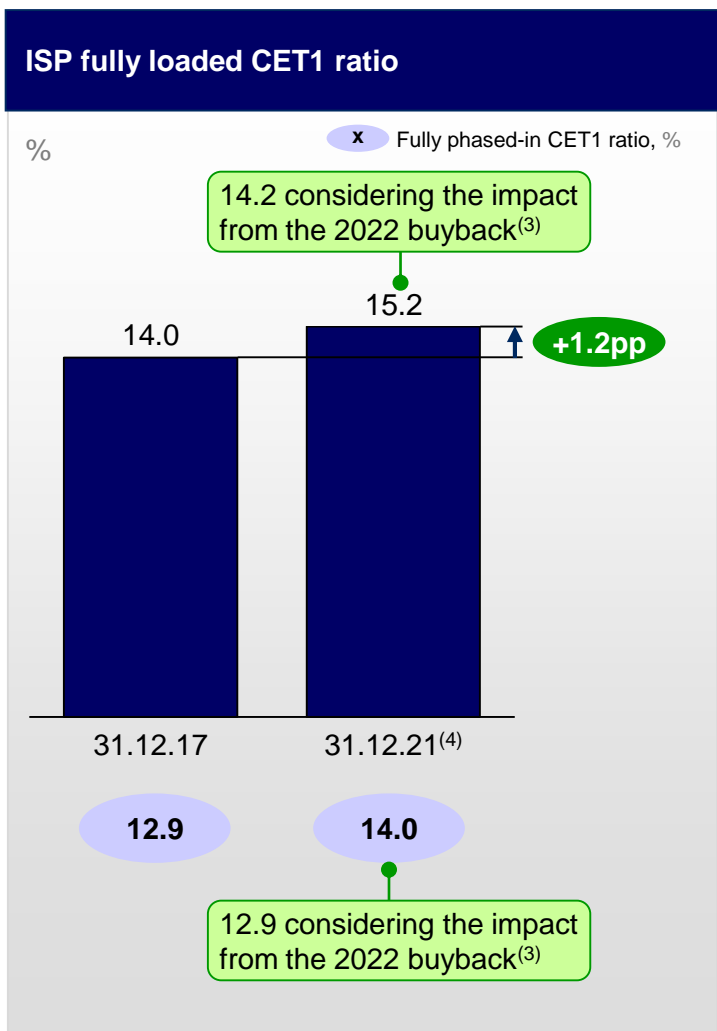
(1) Pro-forma fully loaded Basel 3 (31.12.21 financial statements considering the total absorption of DTA related to IFRS9 FTA, goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, DTA related to the combination with UBI Banca and to the new agreement with trade unions signed on 16.11.21, the expected absorption of DTA on losses carried forward and the expected distribution on FY21 Net income of insurance companies)

(2) €3.4bn buyback subject to ECB and shareholder approval. Buyback amount equivalent to 2019 suspended dividend

2021: excellent performance

Ready for the new Business Plan

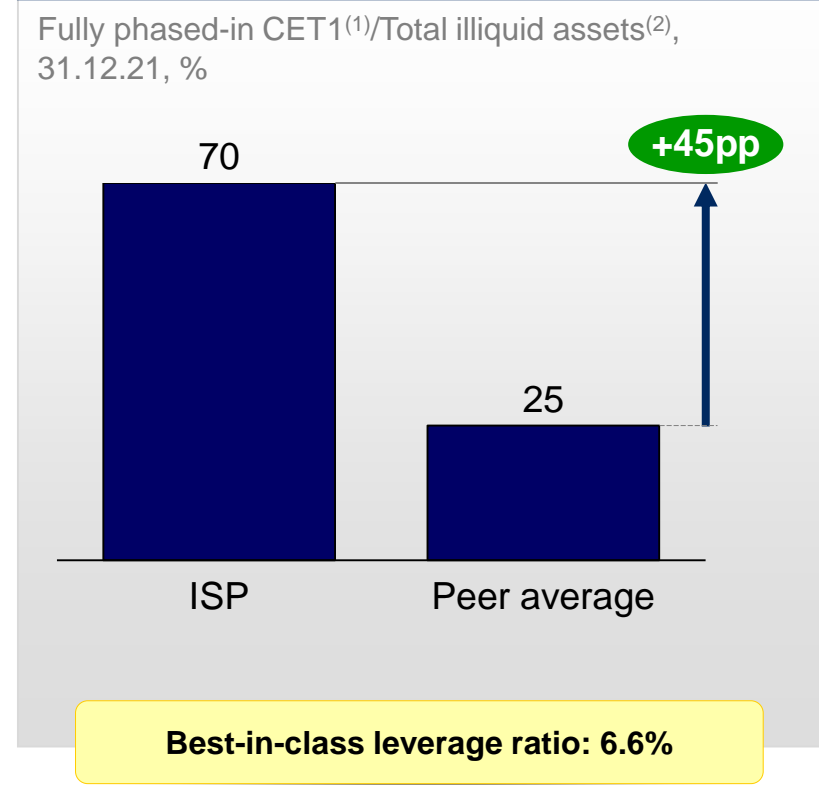
In the 2018-2021 Business Plan horizon, ISP substantially reduced NPL stock, while strengthening capital and reinforcing an already efficient business model...



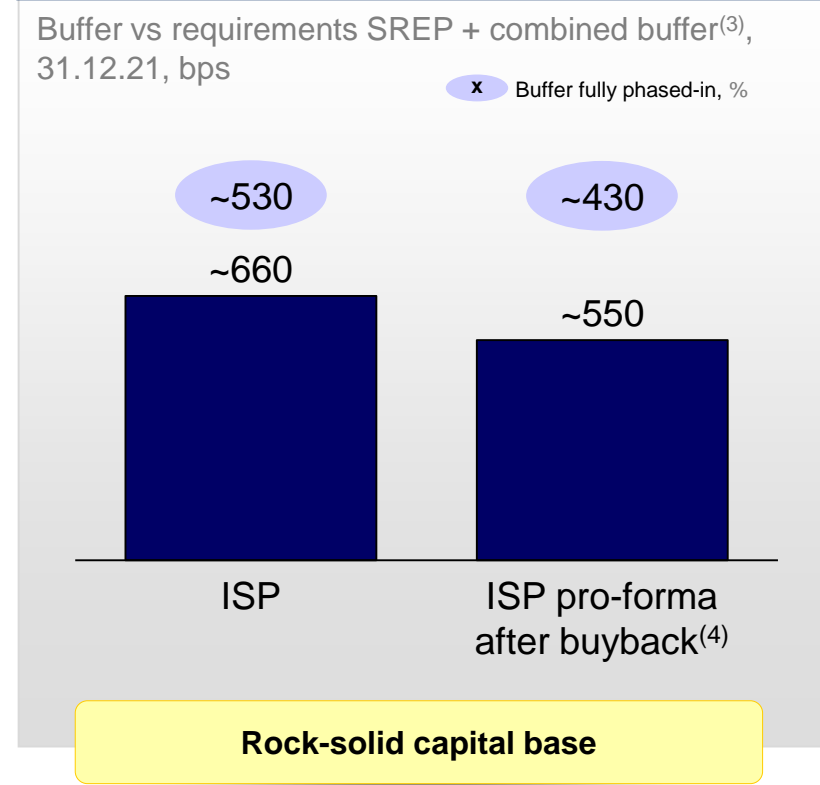
(1) Not including €4.5bn gross NPL (€1.2bn net) booked in Discontinued operations as of 31.12.21
 (2) Taking into account ~€4.8bn gross (~€1.5bn net) 2022 NPL disposals already funded in 4Q21 and still booked in NPL as at 31.12.21
 (3) €3.4bn buyback subject to ECB and shareholder approval. Buyback amount equivalent to 2019 suspended dividend
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 (5) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombardia Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

... and is now far better equipped than European peers to capture growth opportunities...

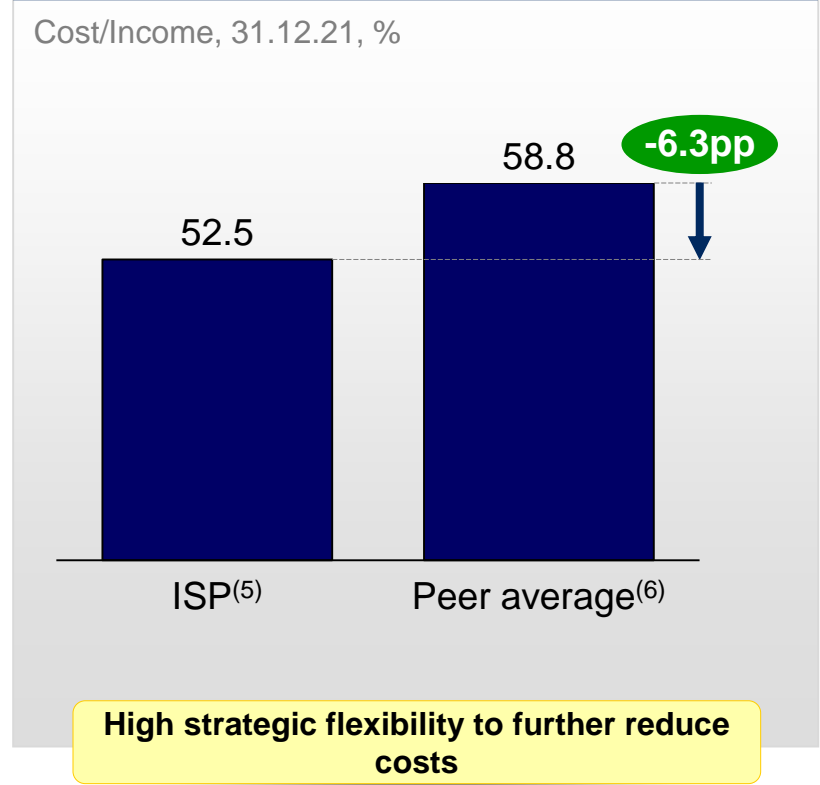
Best-in-class risk profile



Solid capital position



High operating efficiency



Over €1bn yearly synergies from the combination with UBI Banca and ~€8bn from 2020-2021 Pre-tax profit allocated to further strengthen the future sustainability of our results

Note: figures may not add up exactly due to rounding

(1) Fully phased-in CET1. Sample: BBVA, Deutsche Bank, ING Group, Nordea, Santander, UBS and UniCredit (31.12.21 data); Barclays, BNP Paribas, Commerzbank, Crédit Agricole S.A., Credit Suisse, HSBC, Lloyds Banking Group, Société Générale and Standard Chartered (30.9.21 data)

(2) Total illiquid assets include net NPL stock, Level 2 assets and Level 3 assets. Sample: BBVA, Deutsche Bank, ING Group, Nordea, Santander, UBS and UniCredit (net NPL 31.12.21 data); Barclays, Commerzbank, Crédit Agricole S.A., Credit Suisse, HSBC, Lloyds Banking Group, Société Générale and Standard Chartered (net NPL 30.9.21 data); BNP Paribas (net NPL 30.6.21 data), Level 2 and Level 3 assets 30.6.21 data; (Nordea 31.12.21 data)

(3) Calculated as the difference between the fully loaded CET1 ratio vs requirements SREP + combined buffer; only top European banks that have communicated their SREP requirement

(4) €3.4bn buyback subject to ECB and shareholder approval. Buyback amount equivalent to 2019 suspended dividend

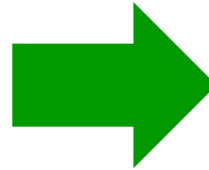
(5) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

(6) Sample: BBVA, Deutsche Bank, ING Group, Nordea, Santander, UBS and UniCredit (31.12.21 data); Barclays, BNP Paribas, Commerzbank, Crédit Agricole S.A., Credit Suisse, HSBC, Lloyds Banking Group, Société Générale and Standard Chartered (30.9.21 data)

... delivering more than €5bn Net income in 2022

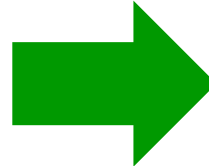
ISP outlook for 2022

Growth in Revenues and continued
Cost management...



... leading to Operating margin
growth

Strong decline in Cost of risk...

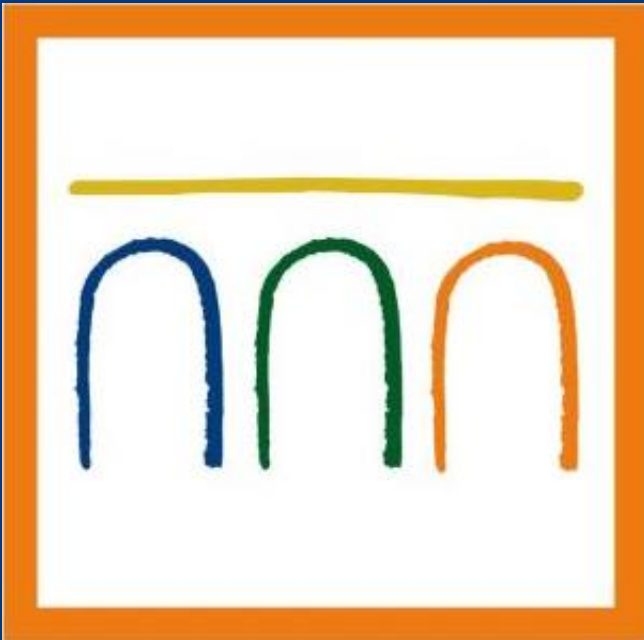


... triggering further growth in
Gross income

>€5bn Net income in 2022, with a 70% payout ratio

2021 Results

Detailed information



Key P&L and Balance sheet figures

€ m

	2021 ⁽¹⁾		31.12.21
Operating income	20,786	Loans to customers	465,254
Operating costs	(10,920)	Customer financial assets ⁽²⁾	1,276,312
Cost/Income ratio	52.5%	of which Direct deposits from banking business	555,565
Operating margin	9,866	of which Direct deposits from insurance business and technical reserves	204,479
Gross income (loss)	6,639	of which Indirect customer deposits	719,231
Net income	4,185	- <i>Assets under management</i>	474,405
		- <i>Assets under administration</i>	244,826
		RWA	326,903
		Total assets	1,069,003

Note: figures may not add up exactly due to rounding

(1) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

(2) Net of duplications between Direct deposits and Indirect customer deposits

Detailed consolidated P&L results

Liquidity, Funding and Capital base

Asset quality

Divisional results and other information

2021: best Net income since 2007

€ m

	2020	2021		Δ%
	redetermined ⁽¹⁾ [A]	stated ⁽²⁾ [B]	redetermined ⁽³⁾ [C]	[C]/[A]
Net interest income	8,278	7,966	7,900	(4.6)
Net fee and commission income	8,725	9,634	9,540	9.3
Income from insurance business	1,685	1,586	1,629	(3.3)
Profits on financial assets and liabilities at fair value	1,675	1,626	1,625	(3.0)
Other operating income (expenses)	37	106	92	148.6
Operating income	20,400	20,918	20,786	1.9
Personnel expenses	(6,705)	(6,824)	(6,773)	1.0
Other administrative expenses	(3,078)	(2,892)	(2,899)	(5.8)
Adjustments to property, equipment and intangible assets	(1,256)	(1,246)	(1,248)	(0.6)
Operating costs	(11,039)	(10,962)	(10,920)	(1.1)
Operating margin	9,361	9,956	9,866	5.4
Net adjustments to loans	(4,493)	(2,772)	(2,766)	(38.4)
Net provisions and net impairment losses on other assets	(365)	(848)	(851)	133.2
Other income (expenses)	97	332	332	242.3
Income (Loss) from discontinued operations	1,588	0	58	(96.3)
Gross income (loss)	6,188	6,668	6,639	7.3
Taxes on income	(1,510)	(1,622)	(1,623)	7.5
Charges (net of tax) for integration and exit incentives	(1,549)	(439)	(439)	(71.7)
Effect of purchase price allocation (net of tax)	1,960	(39)	(39)	n.m.
Levies and other charges concerning the banking industry (net of tax)	(513)	(524)	(511) ⁽⁴⁾	(0.4)
Impairment (net of tax) of goodwill and other intangible assets	(912)	0	0	n.m.
Minority interests	(387)	141	158	n.m.
Net income	3,277	4,185	4,185	27.7
Net income excluding the accounting effect of the combination with UBI Banca and of the impairment of goodwill	3,505	4,185	4,185	19.4

Note: figures may not add up exactly due to rounding

- (1) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and - on the basis of management accounts - the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group
- (2) Including the contribution of branches sold in 1H21 and the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni from the effective date of their acquisition and REYL Group from 1.1.21
- (3) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group
- (4) €745m pre-tax of which charges for the Resolution Fund: €278m pre-tax (€192m net of tax), charges for the Deposit Guarantee Scheme: €340m pre-tax (€230m net of tax), and additional contribution to the National Resolution Fund: €103m pre-tax (€69m net of tax)

Q4 vs Q3: best quarter ever for Commissions while paving the way for the new Business Plan

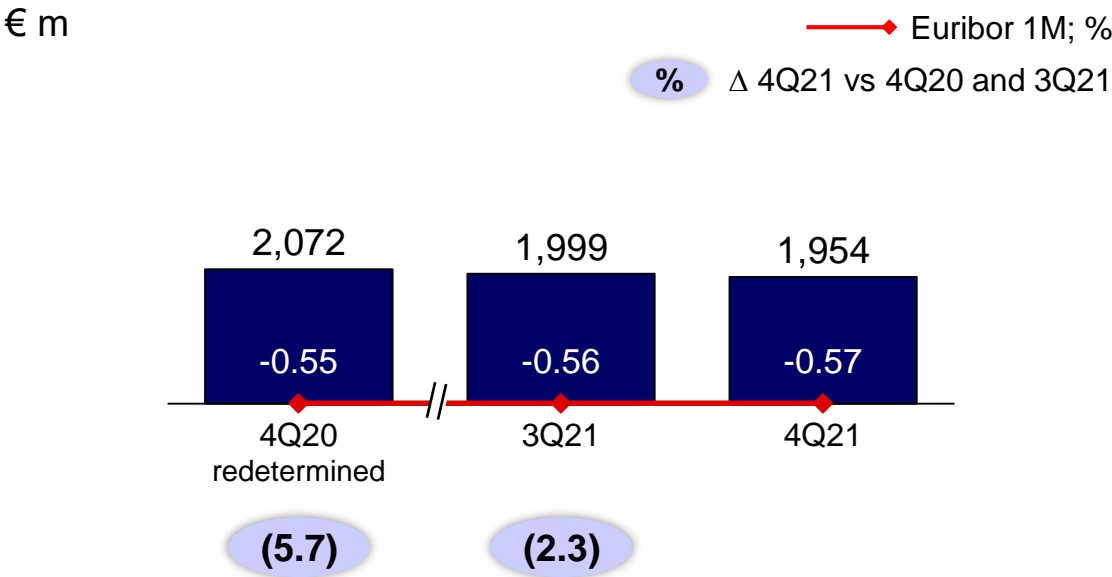
€ m

	3Q21	4Q21	Δ%
Net interest income	1,999	1,954	(2.3)
Net fee and commission income	2,325	2,532	8.9
Income from insurance business	365	410	12.3
Profits on financial assets and liabilities at fair value	378	108	(71.4)
Other operating income (expenses)	25	16	(36.0)
Operating income	5,092	5,020	(1.4)
Personnel expenses	(1,643)	(1,844)	12.2
Other administrative expenses	(693)	(845)	21.9
Adjustments to property, equipment and intangible assets	(302)	(338)	11.9
Operating costs	(2,638)	(3,027)	14.7
Operating margin	2,454	1,993	(18.8)
Net adjustments to loans	(543)	(1,222)	125.0
Net provisions and net impairment losses on other assets	(82)	(415)	406.1
Other income (expenses)	63	78	23.8
Income (Loss) from discontinued operations	(0)	(0)	n.m.
Gross income (loss)	1,892	434	(77.1)
Taxes on income	(619)	(82)	(86.8)
Charges (net of tax) for integration and exit incentives	(41)	(291)	609.8
Effect of purchase price allocation (net of tax)	(51)	46	n.m.
Levies and other charges concerning the banking industry (net of tax)	(210)	(22)	(89.5)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	12	94	683.3
Net income	983	179	(81.8)

Note: figures may not add up exactly due to rounding

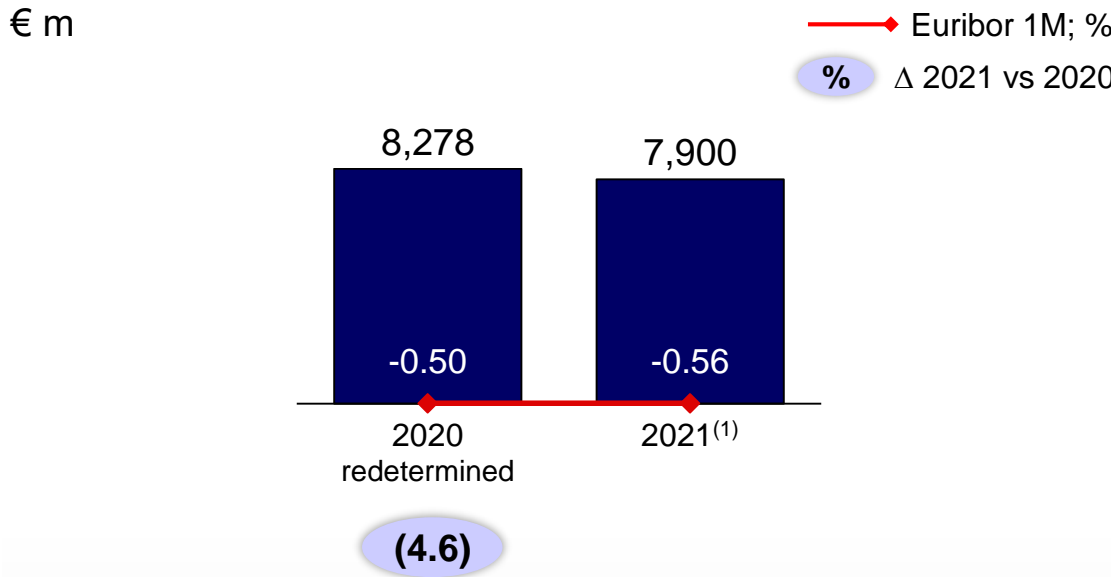
Net interest income: impacted by all-time low interest rates

Quarterly analysis



- 2.0% growth in average Direct deposits from banking business vs Q3 (+6.0% vs 4Q20)
- 1.6% growth in average Performing loans to customers vs 4Q20

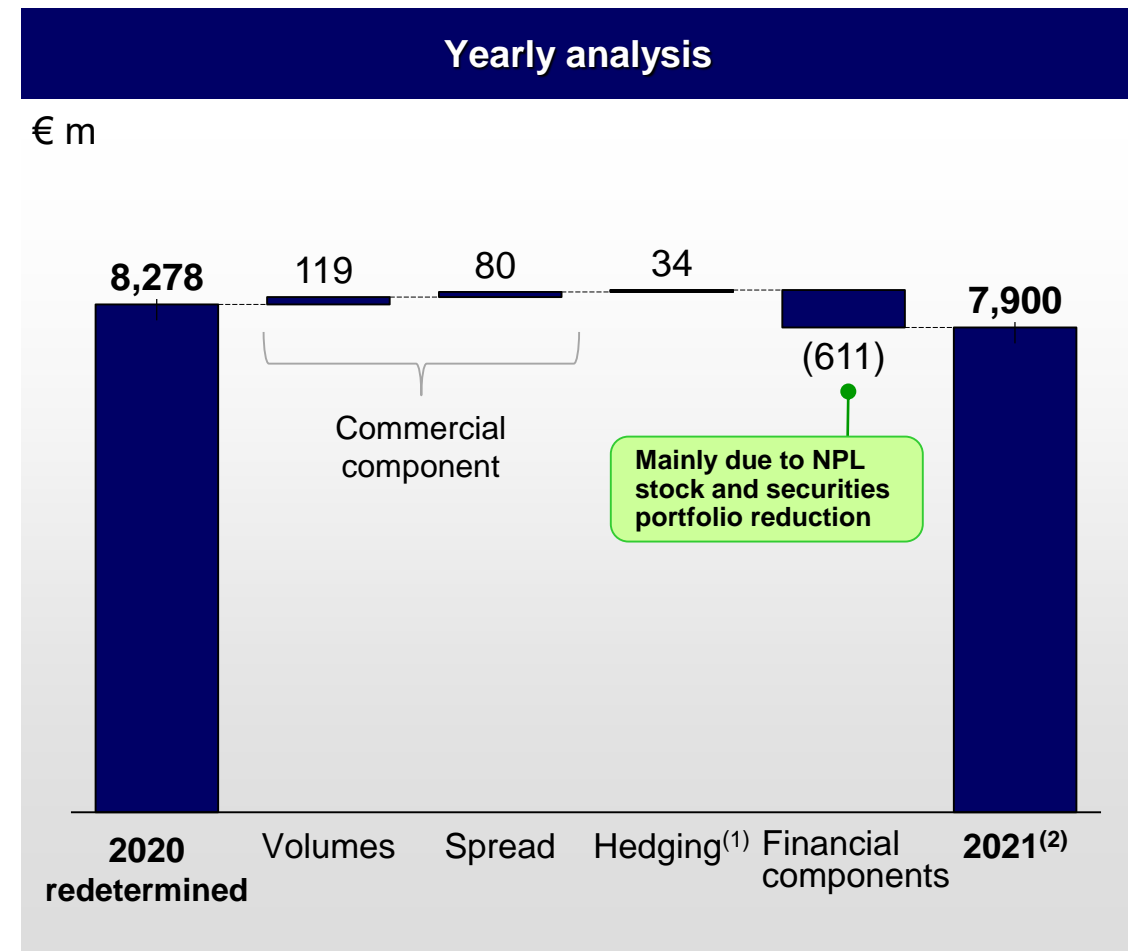
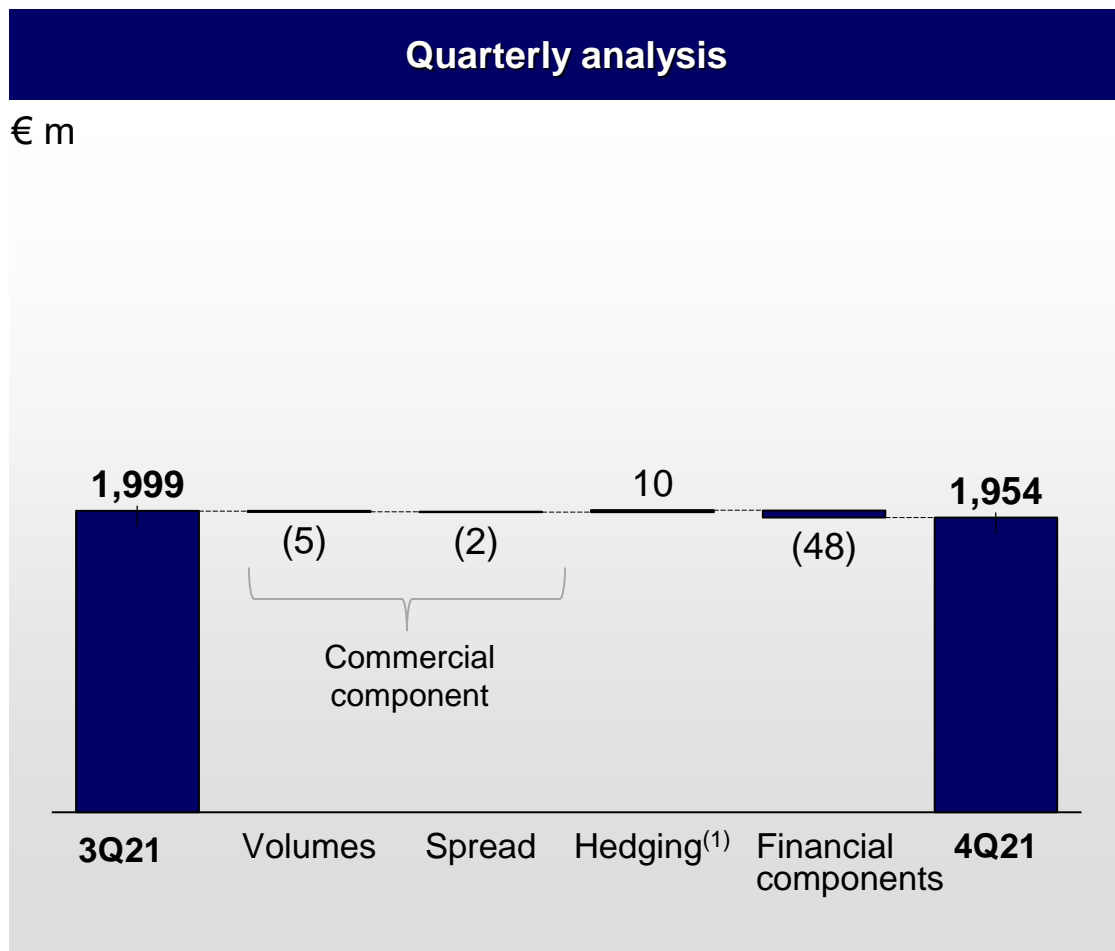
Yearly analysis



- Increase in the commercial component
- 8.4% growth in average Direct deposits from banking business
- 2.8% growth in average Performing loans to customers

(1) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Net interest income: yearly increase in the commercial component



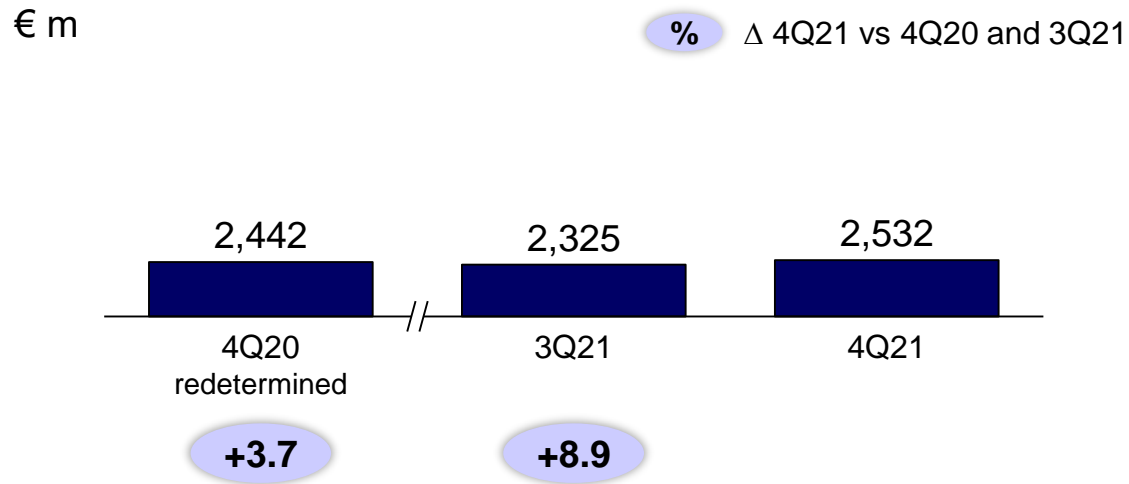
Note: figures may not add up exactly due to rounding

(1) ~€242m benefit from hedging on core deposits in FY21, of which ~€70m in 4Q21

(2) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

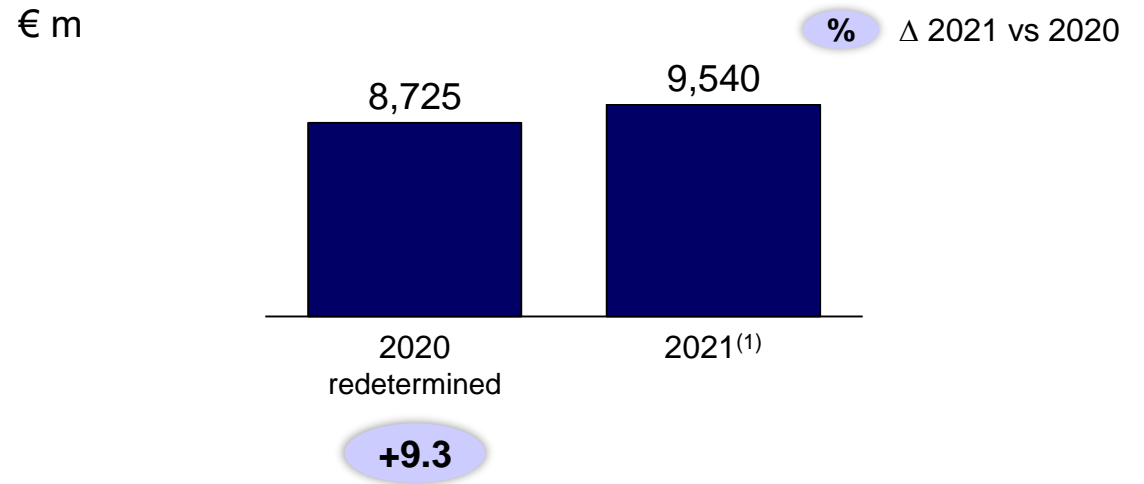
Net fee and commission income: best year ever

Quarterly analysis



- 4Q21 is the best quarter ever
- Strong increase vs 4Q20 and Q3 due to growth in Commissions from Management, dealing and consultancy activities (+5.9%; +€92m and +15.4%; +€220m respectively)
- €4.5bn in AuM net inflows in 4Q21

Yearly analysis



- Best year ever despite multiple lockdowns and while successfully merging UBI Banca
- Commissions from Management, dealing and consultancy activities up 11% (+€603m)
- Commissions from Commercial banking activities up 4.9% (+€118m)
- €16.9bn in AuM net inflows in 2021⁽¹⁾

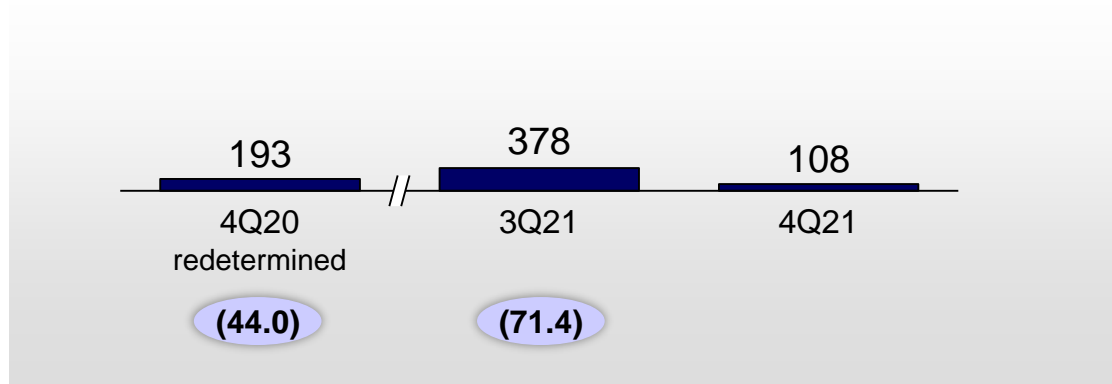
(1) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Profits on financial assets and liabilities at fair value: solid yearly performance

Quarterly analysis

€ m

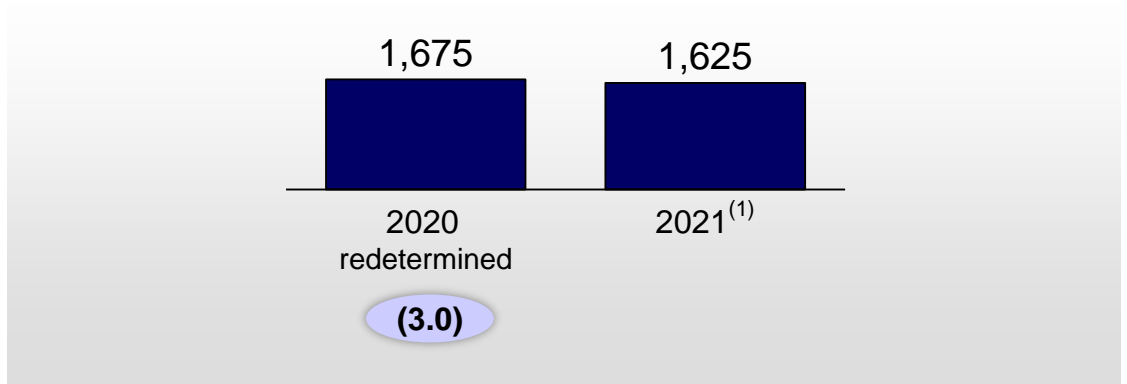
% Δ 4Q21 vs 4Q20 and 3Q21



Yearly analysis

€ m

% Δ 2021 vs 2020



Contributions by activity

	4Q20 redetermined	3Q21	4Q21	2020 redetermined	2021 ⁽¹⁾
Customers	97	74	80	458	311
Capital markets	(90)	158	118	112	691
Trading and Treasury	170	143	(89)	1,107	614
Structured credit products	16	3	(1)	(3)	9

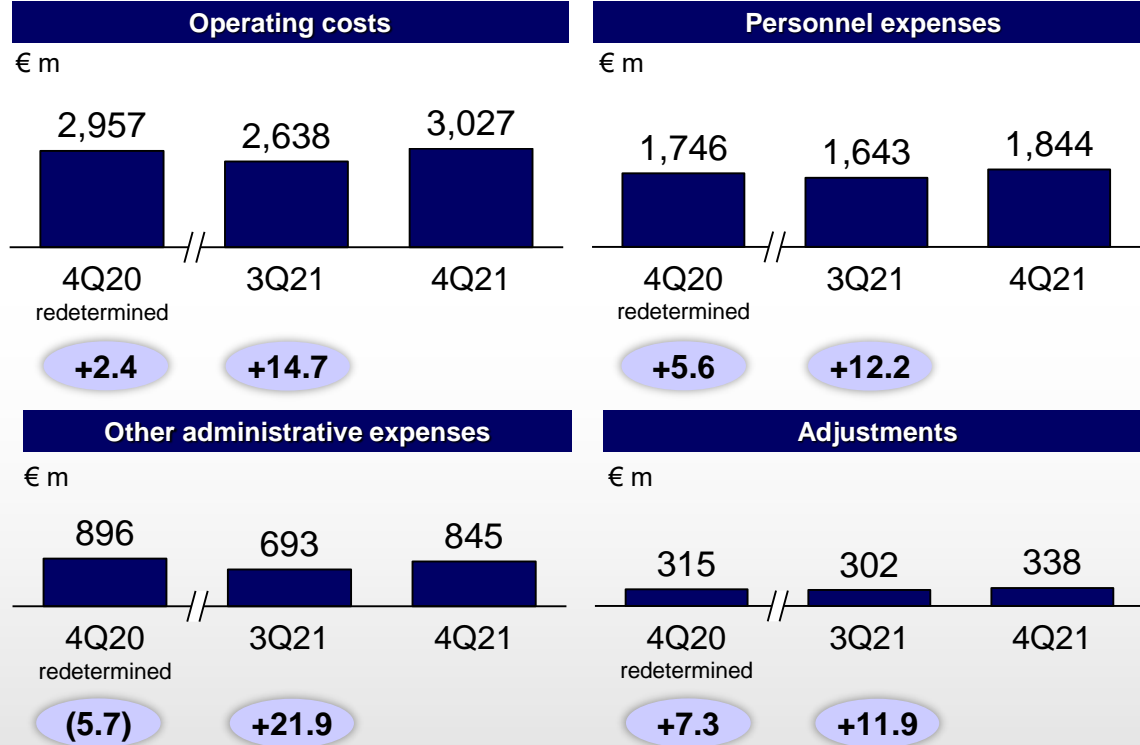
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Operating costs: further yearly reduction while investing for growth

Quarterly analysis

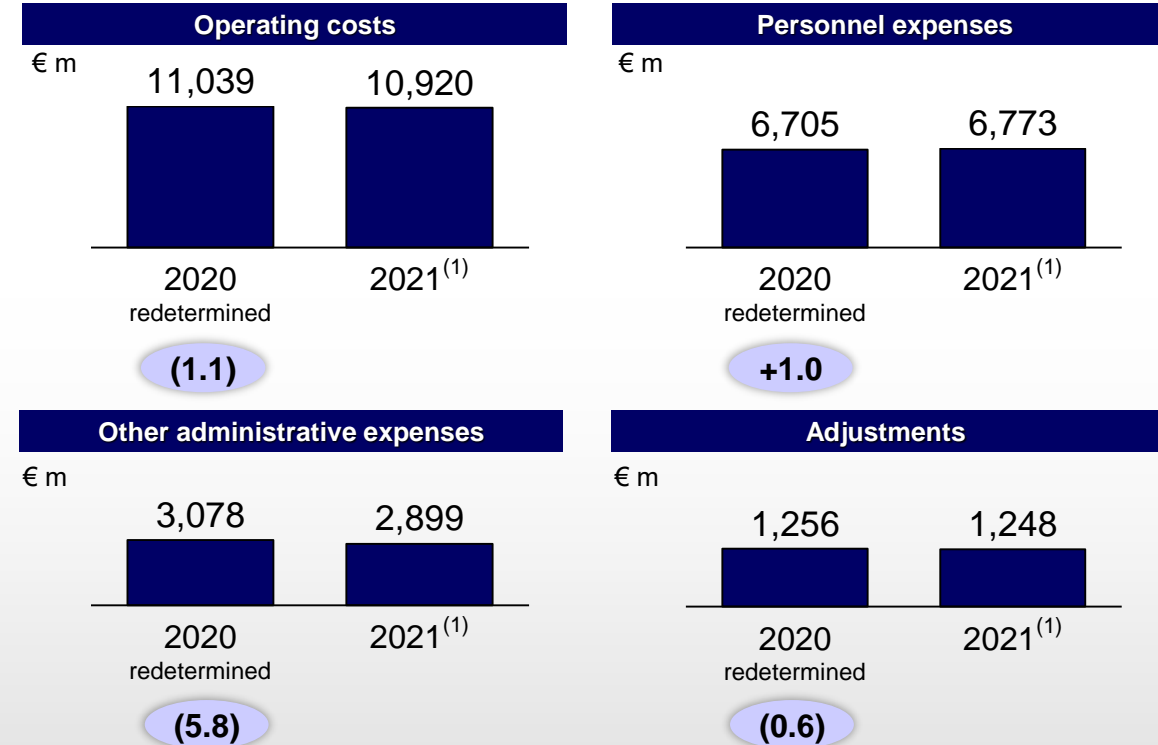
% Δ 4Q21 vs 4Q20 and 3Q21



- Operating costs up vs 4Q20 due to investments and incentives to trigger growth

Yearly analysis

% Δ 2021 vs 2020



- Strong reduction (-5.8%) in Other administrative expenses
- Cost/Income ratio at 52.5%⁽¹⁾ (vs 54.1% in FY20)
- ~3,380⁽²⁾ headcount reduction
- Decrease in Adjustments due to the 4Q20 write-off of UBI Banca IT investments

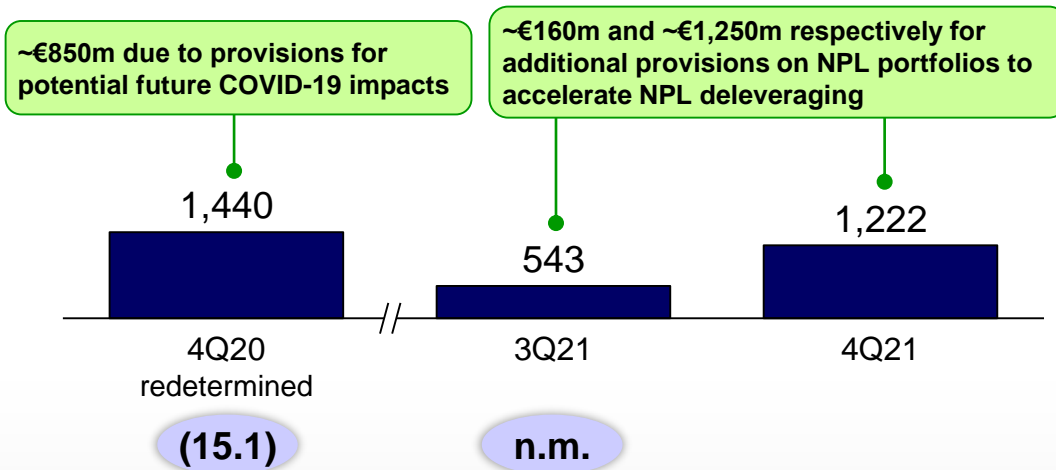
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(2) Including UBI Banca and not considering the disposal of branches sold in 1H21

Net adjustments to loans: significant yearly reduction coupled with a strong decrease in NPL stock and inflows, and increased coverage

Quarterly analysis

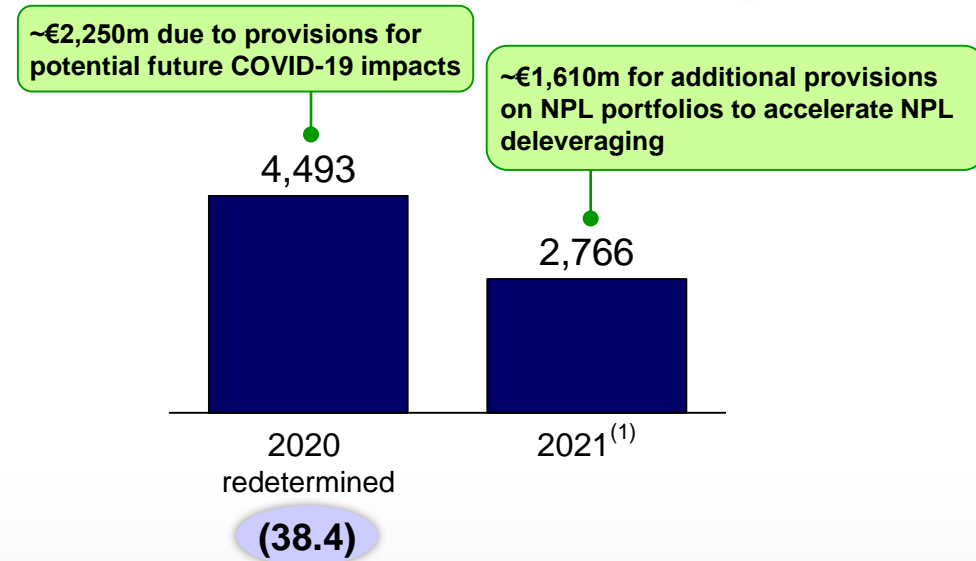
€ m % Δ 4Q21 vs 4Q20 and 3Q21



- Twenty-fifth consecutive quarterly reduction in NPL stock
- Strong increase in NPL coverage in 4Q21 (53.6% vs 49.9% as at 30.9.21)

Yearly analysis

€ m % Δ 2021 vs 2020



- Cost of credit at 59bps⁽¹⁾, 25bps⁽¹⁾ excluding additional provisions on NPL portfolios to accelerate NPL deleveraging
- Lowest-ever NPL gross inflow
- Strong increase in NPL coverage (53.6% vs 48.6% as at 31.12.20)

(1) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Detailed consolidated P&L results

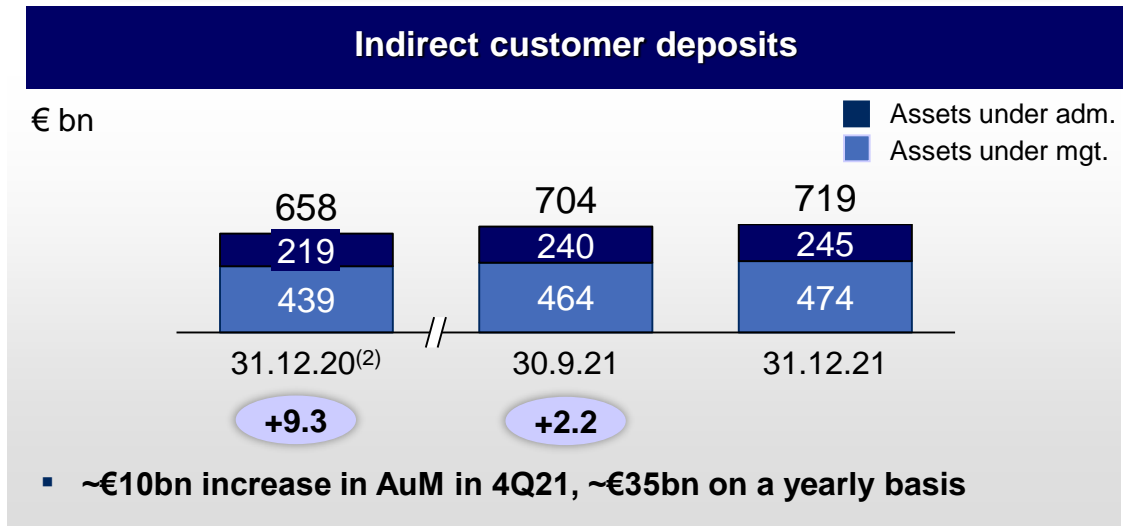
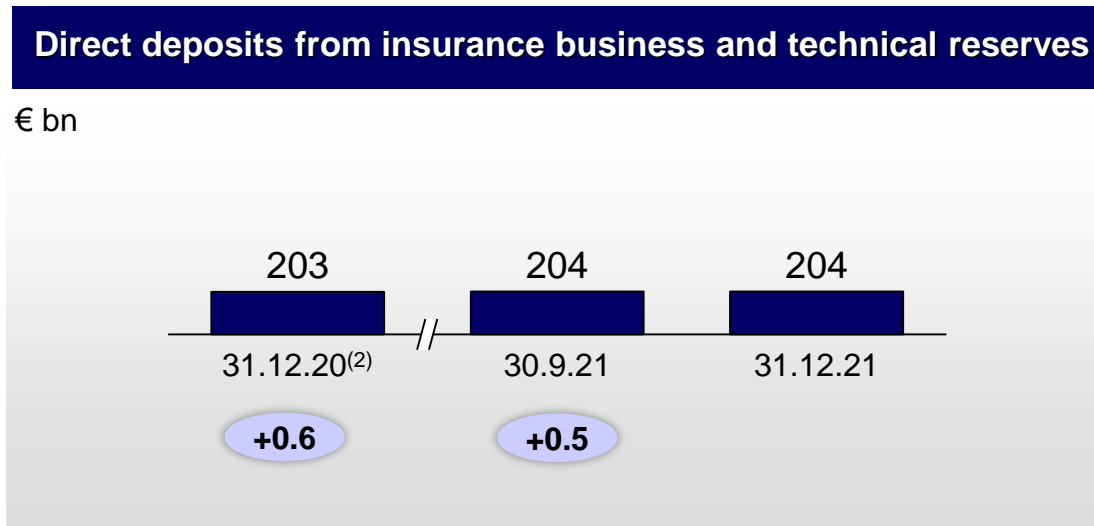
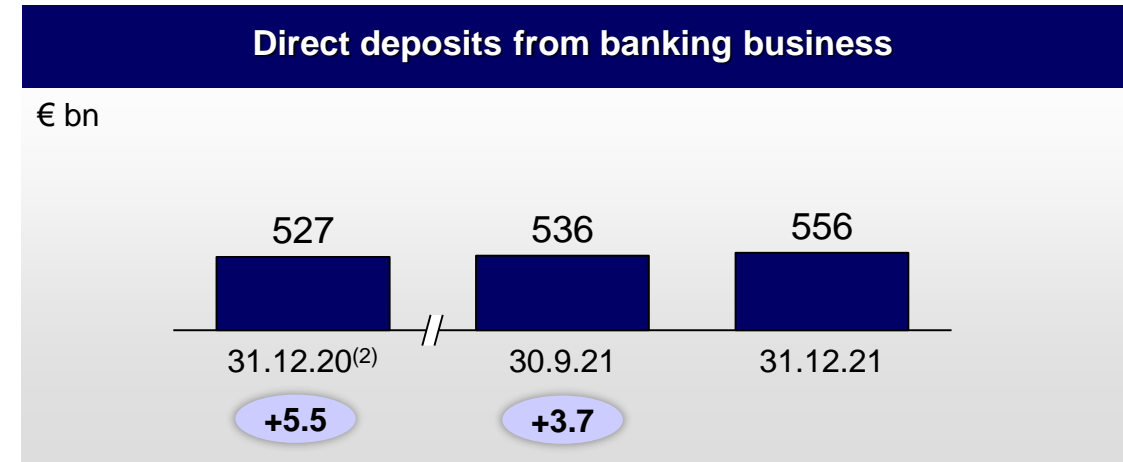
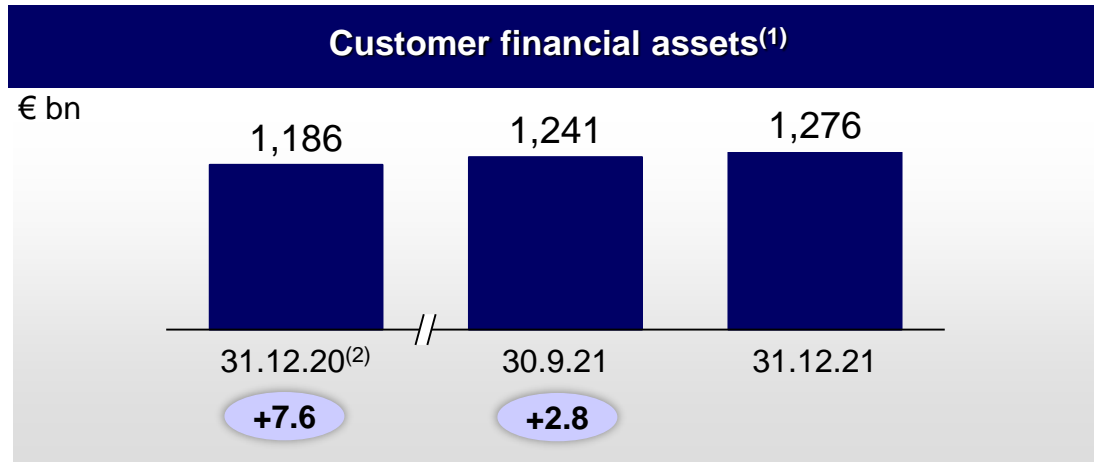
Liquidity, Funding and Capital base

Asset quality

Divisional results and other information

Strong growth in Customer financial assets

% Δ 31.12.21 vs 31.12.20 and 30.9.21



Note: figures may not add up exactly due to rounding

(1) Net of duplications between Direct deposits and Indirect customer deposits

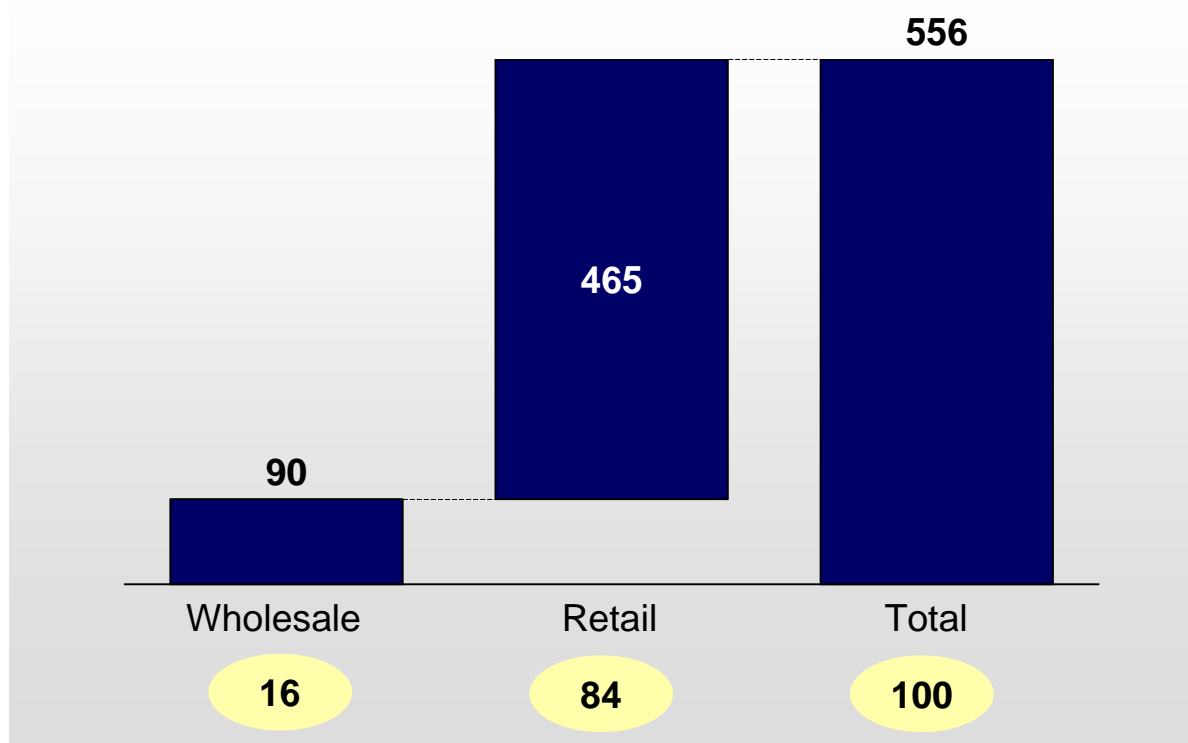
(2) Including UBI Banca, considering the disposal of branches sold in 1H21 and the full line-by-line consolidation of the REYL Group and Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21)

Funding mix

Breakdown of Direct deposits from banking business

€ bn; 31.12.21

% Percentage of total



	Wholesale	Retail
Current accounts and deposits	7	436
Repos and securities lending	3	-
Senior bonds ⁽¹⁾	37	7
Covered bonds	18	-
Short-term institutional funding	12 ⁽²⁾	-
Subordinated liabilities	10	3
Other deposits	4	20 ⁽³⁾

Placed with Private Banking clients

Retail funding represents 84% of Direct deposits from banking business

Note: figures may not add up exactly due to rounding

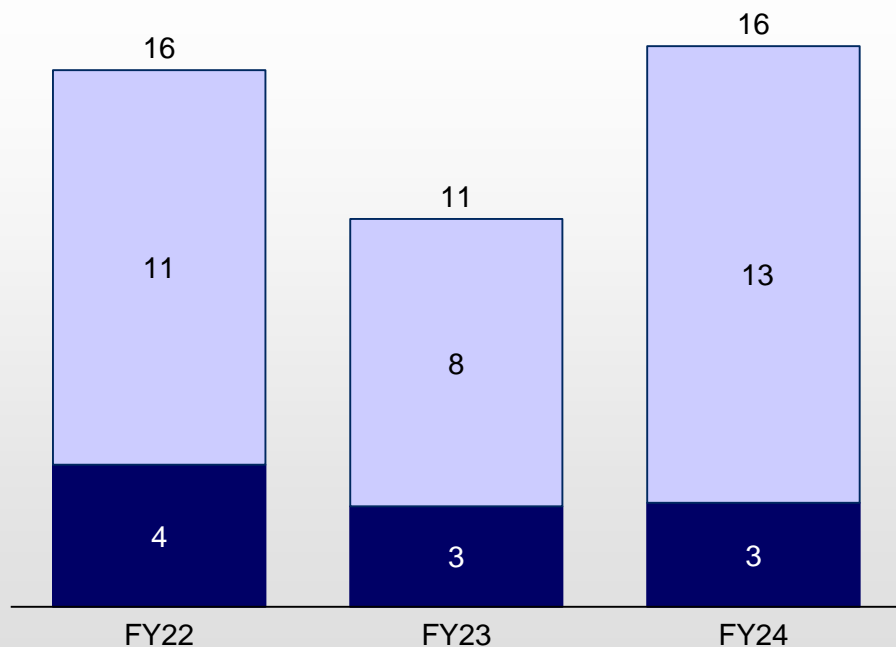
- (1) Including Senior non-preferred
- (2) Certificates of deposit + Commercial papers
- (3) Including Certificates

Strong funding capability: broad access to international markets

2022-2024 MLT maturities

€ bn

Wholesale
Retail



Main wholesale issues

2020⁽¹⁾

- **GBP350m senior unsecured, €3bn AT1 and €1.25bn senior unsecured placed. On average 85% demand from foreign investors; orderbooks average oversubscription ~3.5x**
 - January: GBP350m 10y senior unsecured issue, first GBP transaction by an Italian bank since 2010
 - February: €1.5bn dual-tranche 5/10y Additional Tier 1 issue, first ever dual-tranche AT1 in the Euro market
 - May: €1.25bn 5y senior unsecured issue, first Italian bank transaction since the COVID-19 outbreak
 - August: €1.5bn dual-tranche 7.5/11y Additional Tier 1 issue, second ISP issue of this kind in 2020

2021⁽¹⁾

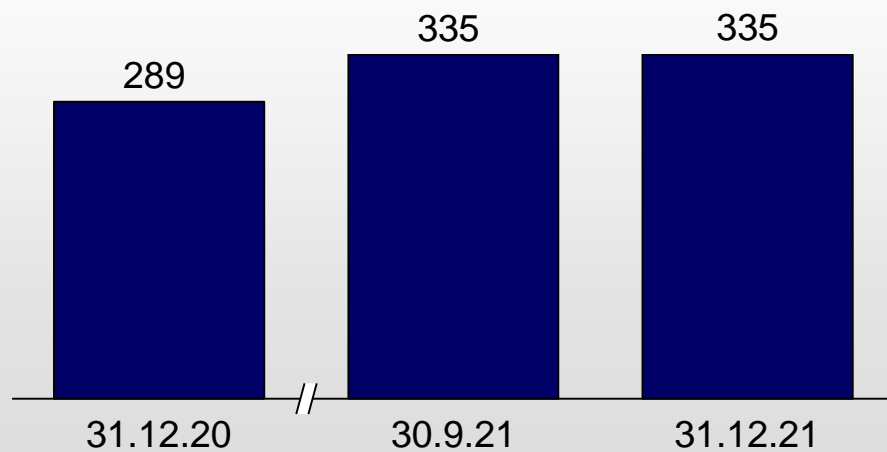
- **€1.75bn senior non-preferred, €1.25bn green bond and \$1.5bn Tier 2 placed. On average 92% demand from foreign investors; orderbooks average oversubscription ~3.9x**
 - February: inaugural €1.75bn dual-tranche 5/10y senior non-preferred, the coupons represent the lowest-ever of any Italian SNP in their respective maturity buckets
 - March: €1.25bn 7y senior unsecured green bond, confirming ISP's aim of fostering its ESG profile and its role as a regular player in the green and sustainable bond market
 - May: \$750m 11NC10 and \$750m 21NC20 Tier 2 issue, first ever dual-tranche \$ structure with 1y MREL-style call

Note: figures may not add up exactly due to rounding
(1) ISP stand-alone

High liquidity: LCR and NSFR well above regulatory requirements

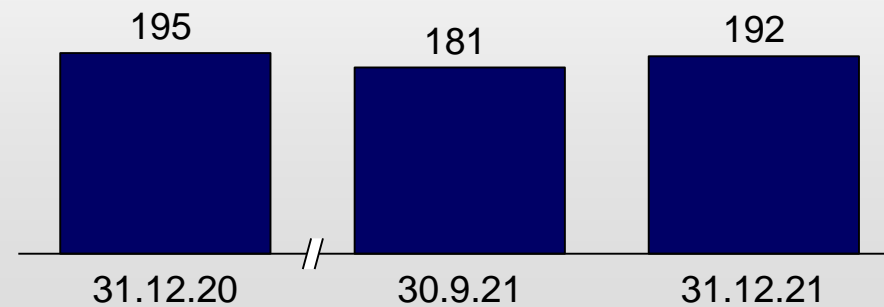
Liquid assets⁽¹⁾

€ bn



Unencumbered eligible assets with Central Banks⁽²⁾ (net of haircuts)

€ bn



- Refinancing operations with the ECB: ~€132bn⁽³⁾ consisting entirely of TLTRO III, out of a maximum allowance of ~€133bn
- Loan to Deposit ratio⁽⁴⁾ at 84%

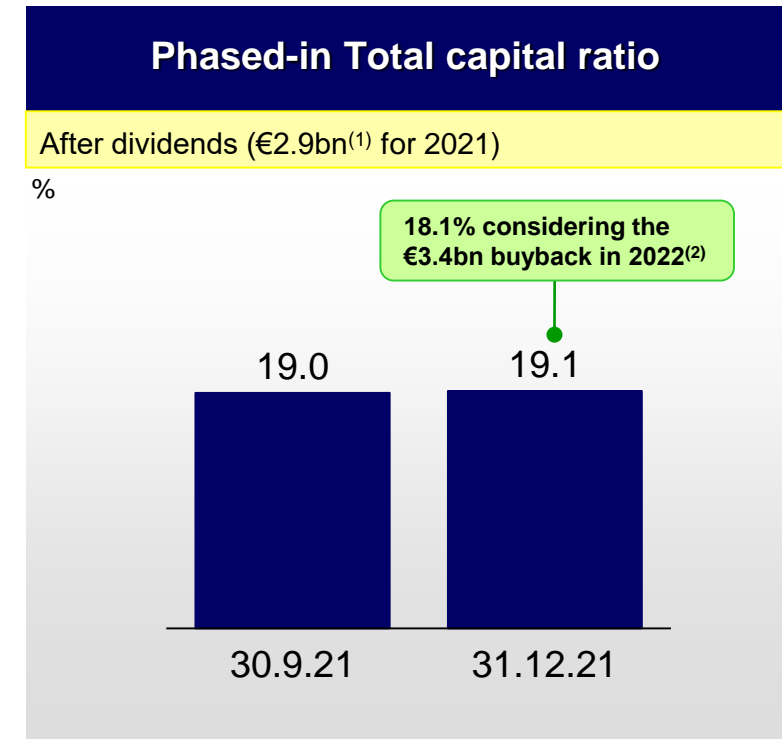
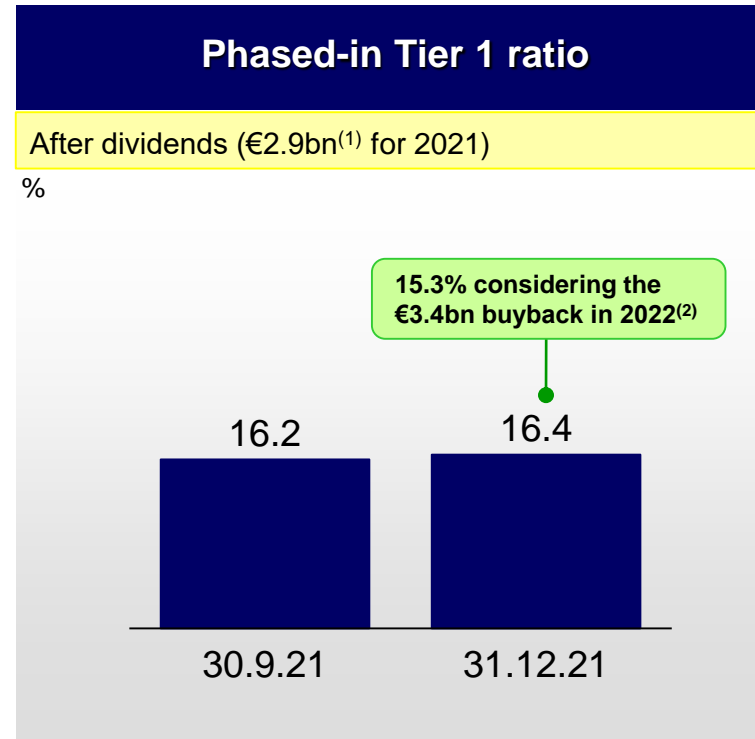
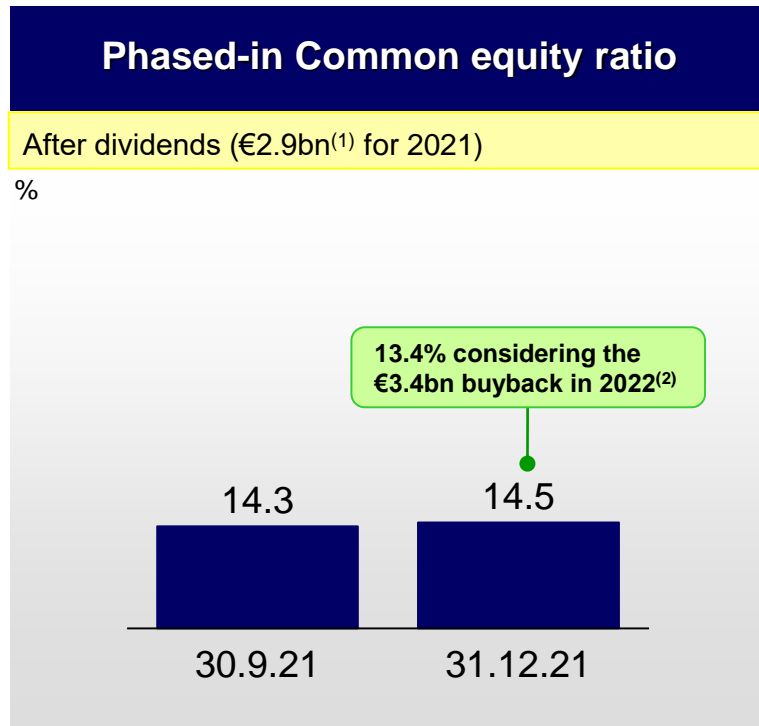
(1) Stock of own-account eligible assets (including assets used as collateral and excluding eligible assets received as collateral) and cash & deposits with Central Banks

(2) Eligible assets freely available (excluding assets used as collateral and including eligible assets received as collateral) and cash & deposits with Central Banks

(3) €36bn borrowed in March (settlement date 27.3.21), €11bn borrowed in June (settlement date 24.6.21), €1.5bn borrowed in September (settlement date 29.9.21) and €0.5bn borrowed in December (settlement date 22.12.21)

(4) Loans to customers/Direct deposits from banking business

Solid Capital base



- **15.2%⁽³⁾ pro-forma fully loaded Common Equity Tier 1 ratio, 14.2% considering the €3.4bn buyback in 2022⁽²⁾ (14.0% fully phased-in, 12.9% considering the €3.4bn buyback in 2022⁽²⁾)**
- **6.6% leverage ratio**

(1) Including €1.4bn paid as interim dividend on 24.11.21

(2) Subject to ECB and shareholder approval. Buyback amount equivalent to 2019 suspended dividend

(3) Pro-forma fully loaded Basel 3 (31.12.21 financial statements considering the total absorption of DTA related to IFRS9 FTA, goodwill realignment/adjustments to loans/non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the operations of the two former Venetian banks, DTA related to the combination with UBI Banca and to the new agreement with trade unions signed on 16.11.21, the expected absorption of DTA on losses carried forward and the expected distribution on FY21 Net income of insurance companies)

Detailed consolidated P&L results

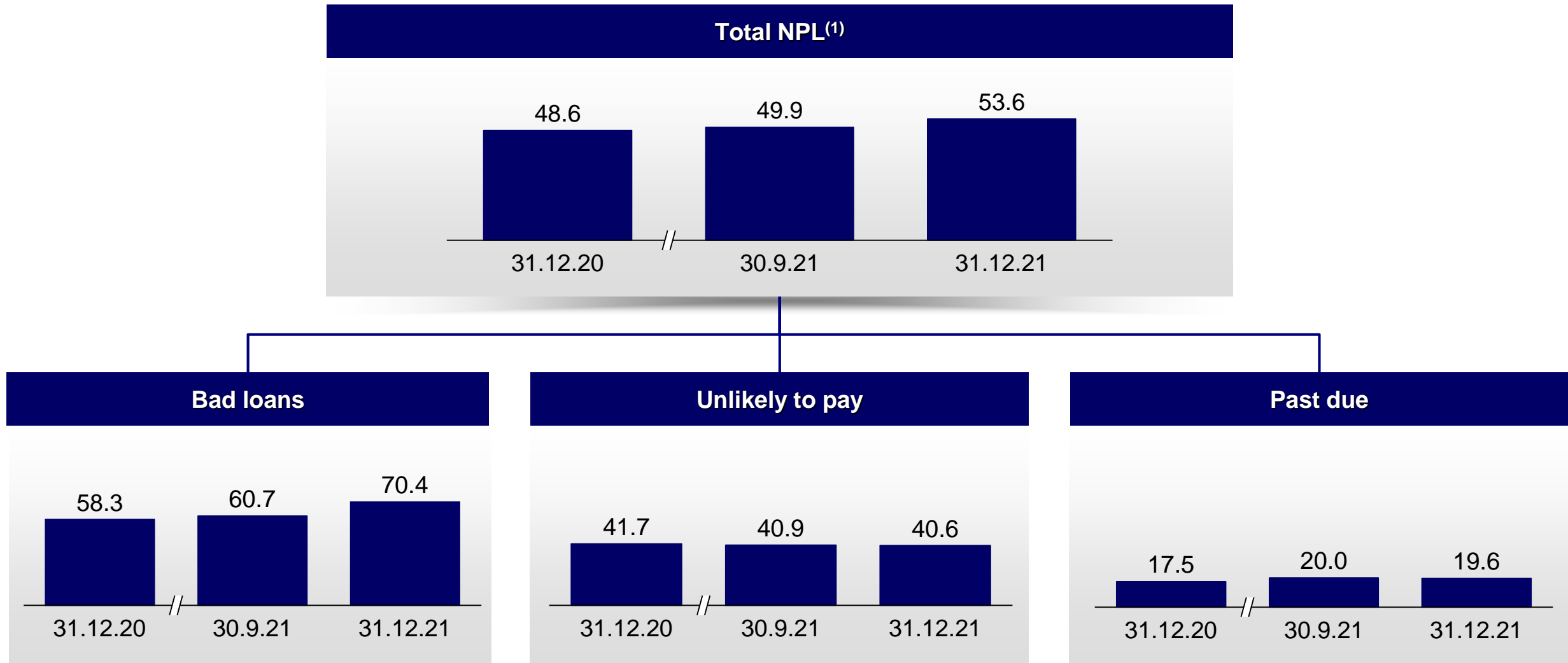
Liquidity, Funding and Capital base

Asset quality

Divisional results and other information

Non-performing loans: sizeable and increased coverage after massive deleveraging, paving the way for the new Business Plan

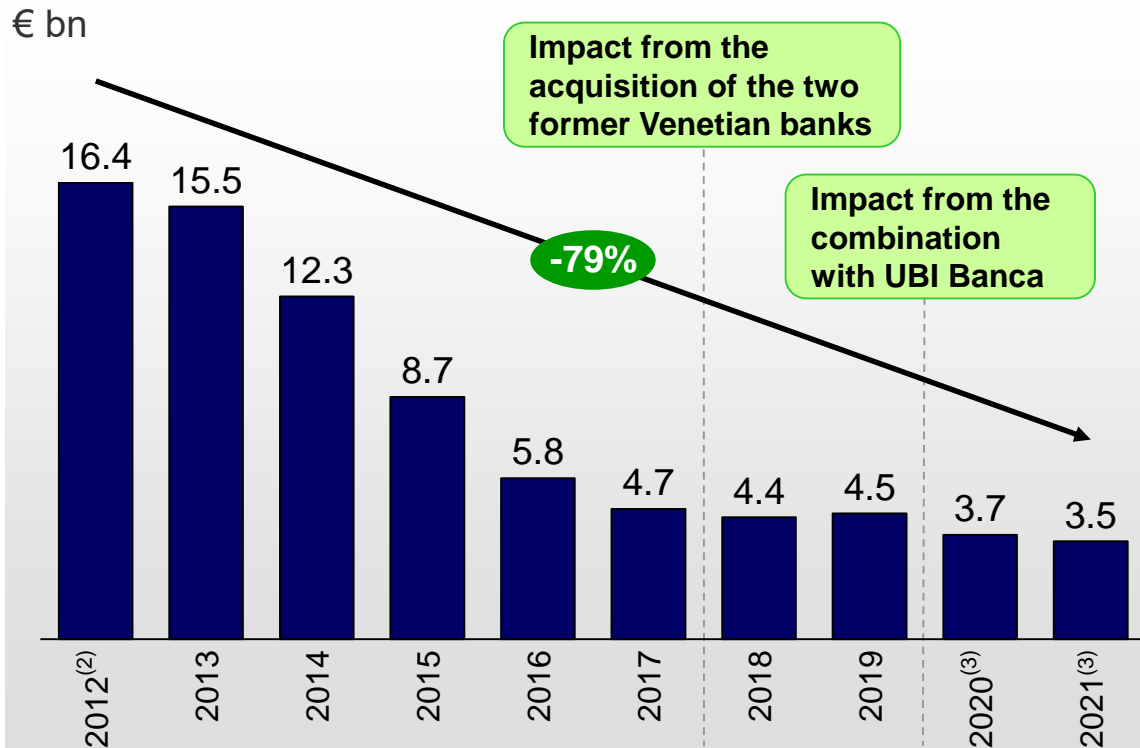
Cash coverage; %



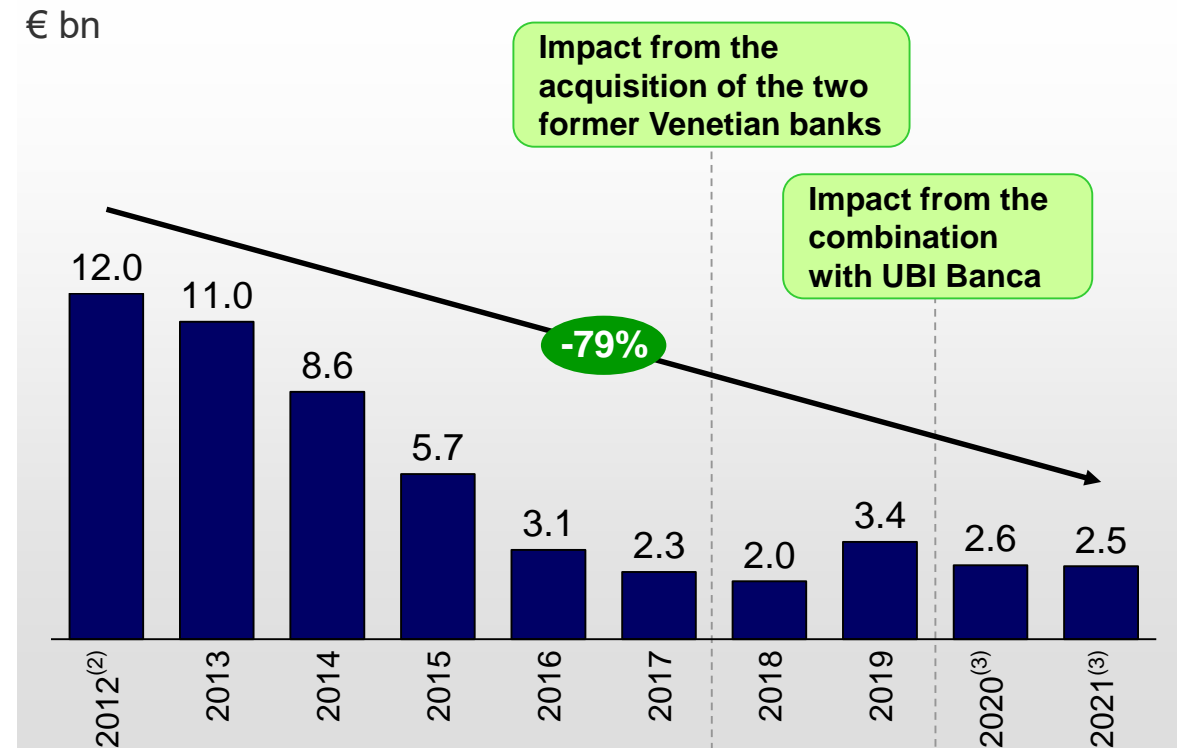
(1) Bad loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past due (*Scaduti e sconfinanti*)

Non-performing loans: lowest-ever gross inflow

Gross inflow of new NPL⁽¹⁾ from Performing loans



Net inflow of new NPL⁽¹⁾ from Performing loans



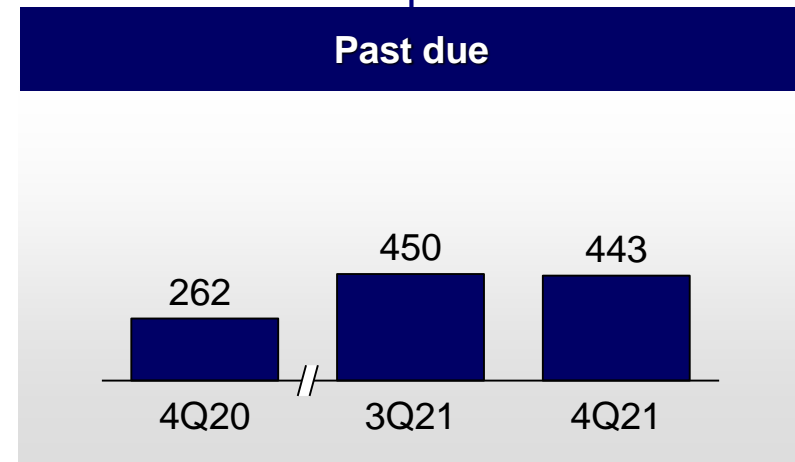
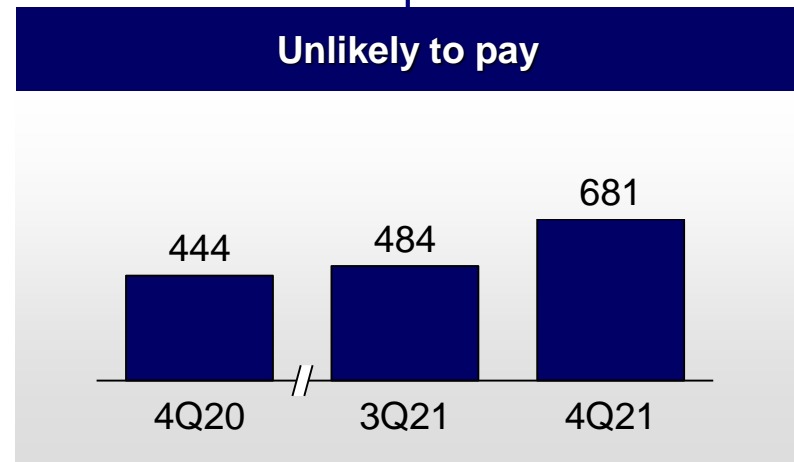
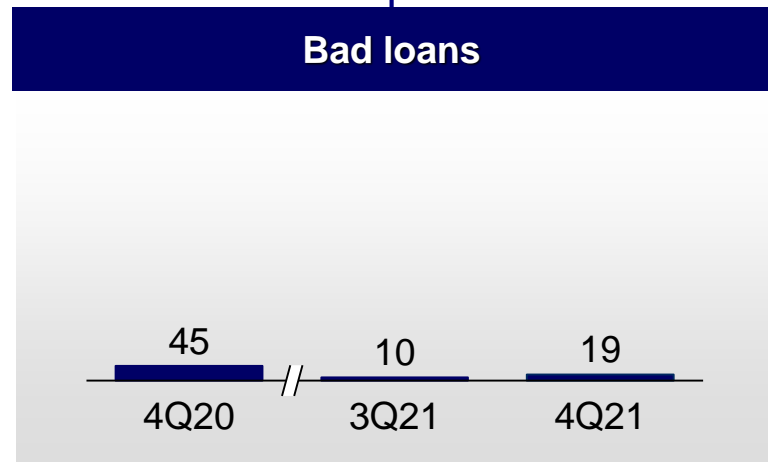
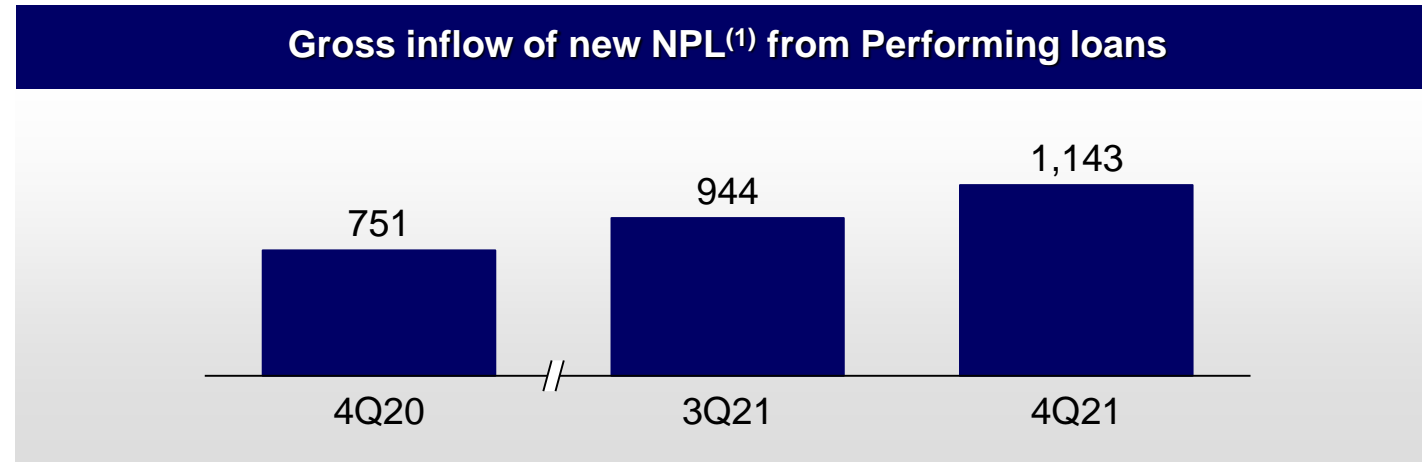
(1) Bad loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past due (*Scaduti e sconfinanti*)

(2) 2012 figures recalculated to take into consideration the regulatory changes to Past due classification criteria introduced by the Bank of Italy (90 days since 2012 vs 180 days up until 31.12.11)

(3) Including UBI Banca

Non-performing loans: gross inflow

€ m

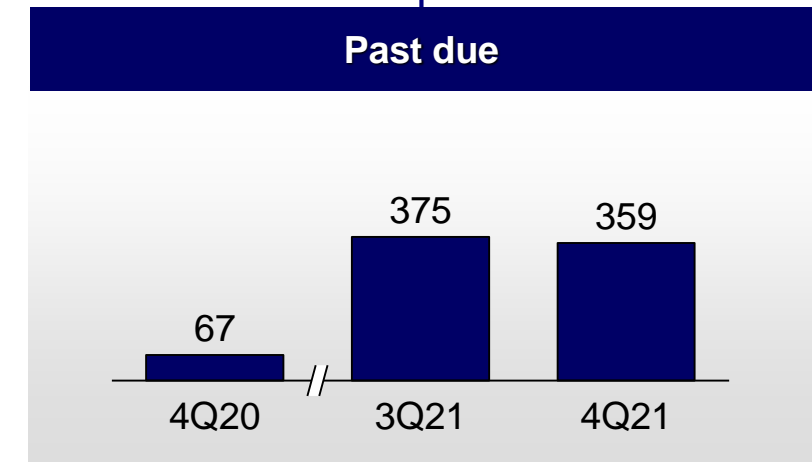
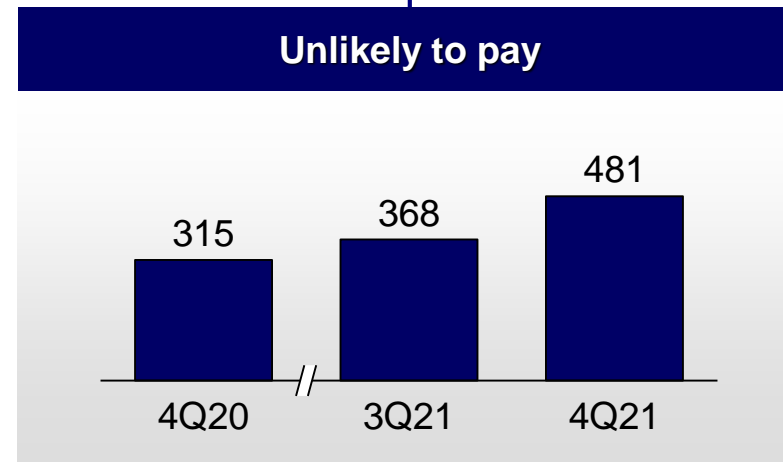
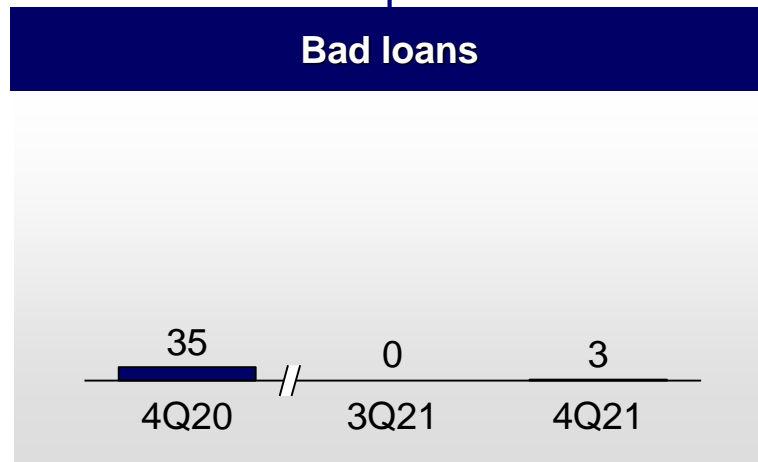
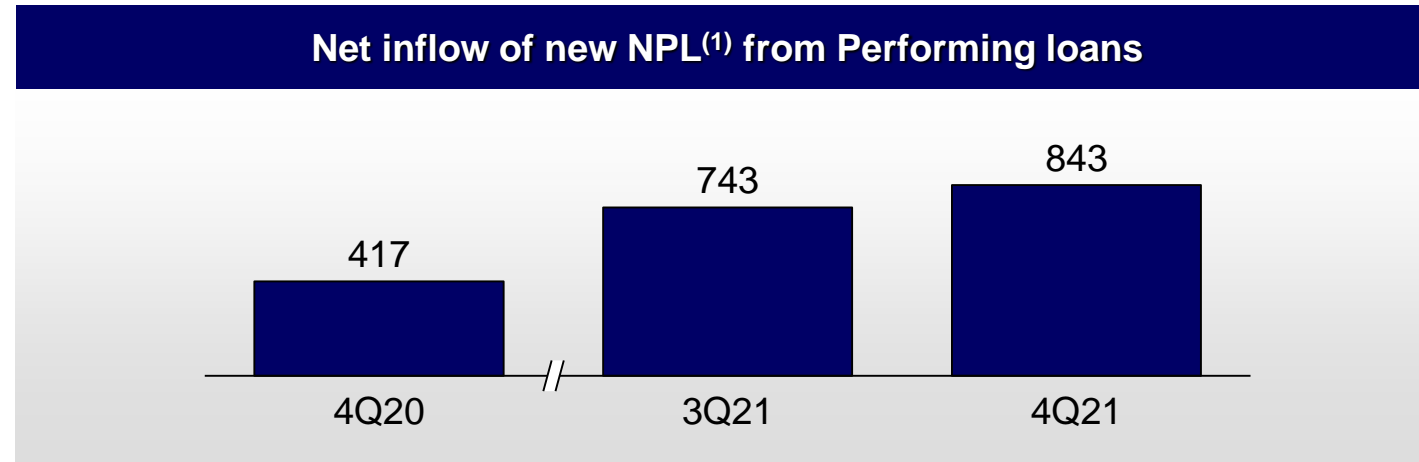


Note: figures may not add up exactly due to rounding

(1) Bad loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past due (*Scaduti e sconfinanti*)

Non-performing loans: net inflow

€ m



Note: figures may not add up exactly due to rounding

(1) Bad loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past due (*Scaduti e sconfinanti*)

Non-performing loans: lowest-ever stock and ratios

x Gross NPL ratio, %

x Net NPL ratio, %

x Gross and net NPL ratio based on EBA definition, %

Gross NPL			
€ bn	31.12.20 ⁽¹⁾	30.9.21 ⁽²⁾	31.12.21 ⁽³⁾
Bad loans	9.6	9.1	7.2
- of which forborne	1.6	1.9	1.5
Unlikely to pay	10.7	8.4	7.3
- of which forborne	4.2	3.5	2.9
Past due	0.6	0.7	0.8
- of which forborne	-	0.1	0.2
Total	20.9	18.3	15.2 ● €10.4bn pro-forma⁽⁴⁾
	4.4	3.8	3.2 ● 2.2 pro-forma⁽⁴⁾
	3.6	2.9	2.4 ● <2 pro-forma⁽⁴⁾

Net NPL			
€ bn	31.12.20 ⁽⁵⁾	30.9.21 ⁽⁶⁾	31.12.21 ⁽⁷⁾
Bad loans	4.0	3.6	2.1
- of which forborne	0.7	0.8	0.5
Unlikely to pay	6.2	5.0	4.3
- of which forborne	2.8	2.4	2.1
Past due	0.5	0.6	0.6
- of which forborne	-	-	0.1
Total	10.7	9.1	7.1 ● €5.6bn pro-forma⁽⁴⁾
	2.3	2.0	1.5 ● 1.2 pro-forma⁽⁴⁾
	1.9	1.5	1.2 ● <1 pro-forma⁽⁴⁾

Note: figures may not add up exactly due to rounding

(1) Not including €5.4bn gross NPL booked in Discontinued operations

(2) Not including €4.7bn gross NPL booked in Discontinued operations

(3) Not including €4.5bn gross NPL booked in Discontinued operations

(4) Taking into account ~€4.8bn gross (~€1.5bn net) 2022 NPL disposals already funded in 4Q21 and still booked in NPL as at 31.12.21

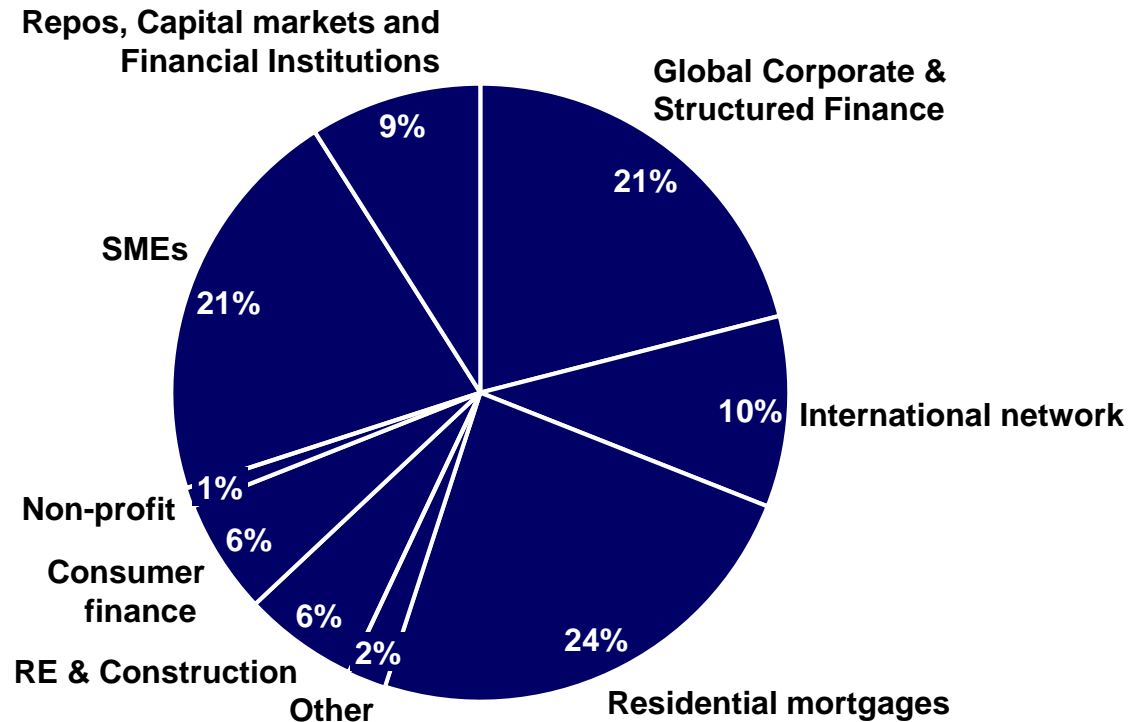
(5) Not including €2.1bn net NPL booked in Discontinued operations

(6) Not including €1.7bn net NPL booked in Discontinued operations

(7) Not including €1.2bn net NPL booked in Discontinued operations

Loans to customers: a well-diversified portfolio

Breakdown by business area (data as at 31.12.21)



■ Low risk profile of residential mortgage portfolio

- Instalment/available income ratio at 31%
- Average Loan-to-Value equal to ~59%
- Original average maturity equal to ~24 years
- Residual average life equal to ~19 years

Breakdown by economic business sector

	31.12.21
Loans of the Italian banks and companies of the Group	
Households	30.4%
Public Administration	3.7%
Financial companies	7.8%
Non-financial companies	45.5%
of which:	
UTILITIES	4.8%
SERVICES	4.3%
REAL ESTATE	3.6%
TRANSPORTATION MEANS	3.4%
DISTRIBUTION	3.0%
CONSTRUCTION AND MATERIALS FOR CONSTR.	2.9%
TRANSPORT	2.5%
FOOD AND DRINK	2.5%
METALS AND METAL PRODUCTS	2.4%
INFRASTRUCTURE	2.2%
FASHION	2.1%
ENERGY AND EXTRACTION	2.0%
MECHANICAL	1.6%
TOURISM	1.6%
AGRICULTURE	1.5%
CHEMICALS, RUBBER AND PLASTICS	1.4%
ELECTRICAL COMPONENTS AND EQUIPMENT	0.8%
PHARMACEUTICAL	0.8%
FURNITURE AND WHITE GOODS	0.7%
MEDIA	0.5%
WOOD AND PAPER	0.5%
OTHER CONSUMPTION GOODS	0.2%
Loans of international banks and companies of the Group	11.0%
Non-performing loans	1.5%
TOTAL	100.0%

Moratoria volumes: enterprises accounting for ~89%

Segments	Moratoria stock as at 31.12.21		
	# Clients (k)	Volumes (€ bn)	% of total net loan portfolio
Households	5	1	0.1%
Enterprises	8	4	0.9%
Total	13	5⁽¹⁾	1.0%

€47bn expired moratoria with 2.8%⁽²⁾ default rate

Note: figures may not add up exactly due to rounding

(1) €1.1bn according to EBA criteria

(2) Italian perimeter

Detailed consolidated P&L results

Liquidity, Funding and Capital base

Asset quality

Divisional results and other information

Divisional financial highlights

Data as at 31.12.21

	Divisions							Total redetermined ⁽⁶⁾
	Banca dei Territori	IMI Corporate & Investment Banking	International Subsidiary Banks ⁽¹⁾	Private Banking ⁽²⁾	Asset Management ⁽³⁾	Insurance ⁽⁴⁾	Corporate Centre / Others ⁽⁵⁾	
Operating income (€ m)	8,938	4,571	1,972	2,376	1,344	1,572	13	20,786
Operating margin (€ m)	2,473	3,206	900	1,470	1,105	1,171	(459)	9,866
Net income (€ m)	385	2,202	463	1,076	787	712	(1,440)	4,185
Cost/Income (%)	72.3	29.9	54.4	38.1	17.8	25.5	n.m.	52.5
RWA (€ bn)	94.3	112.2	34.4	11.6	1.8	0.0	72.5	326.9
Direct deposits from banking business (€ bn)	296.3	88.9	51.5	54.2	0.0	0.0	64.6	555.6
Loans to customers (€ bn)	251.0	152.1	39.0	13.8	0.8	0.0	8.6	465.3

Note: figures may not add up exactly due to rounding

(1) Excluding the Russian subsidiary Banca Intesa which is included in IMI C&IB

(2) Fideuram, Intesa Sanpaolo Private Banking, Intesa Sanpaolo Private Bank (Suisse) Morval, REYL Group, and Siref Fiduciaria

(3) Eurizon

(4) Cargeas Assicurazioni, Fideuram Vita, Intesa Sanpaolo Assicura, Intesa Sanpaolo Insurance Agency, Intesa Sanpaolo Life, Intesa Sanpaolo RBM Salute, and Intesa Sanpaolo Vita

(5) Treasury Department, Central Structures and consolidation adjustments

(6) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Banca dei Territori: 2021 vs 2020

€ m

	2020 redetermined	2021	Δ%
Net interest income	4,199	3,985	(5.1)
Net fee and commission income	4,548	4,836	6.3
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	109	103	(5.5)
Other operating income (expenses)	11	14	27.3
Operating income	8,867	8,938	0.8
Personnel expenses	(3,590)	(3,526)	(1.8)
Other administrative expenses	(3,067)	(2,933)	(4.4)
Adjustments to property, equipment and intangible assets	(4)	(6)	50.0
Operating costs	(6,661)	(6,465)	(2.9)
Operating margin	2,206	2,473	12.1
Net adjustments to loans	(2,909)	(1,235)	(57.5)
Net provisions and net impairment losses on other assets	(104)	(120)	15.4
Other income (expenses)	29	12	(58.6)
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	(778)	1,130	n.m.
Taxes on income	331	(358)	n.m.
Charges (net of tax) for integration and exit incentives	(16)	(180)	n.m.
Effect of purchase price allocation (net of tax)	(6)	(15)	150.0
Levies and other charges concerning the banking industry (net of tax)	(142)	(190)	33.8
Impairment (net of tax) of goodwill and other intangible assets	(912)	0	n.m.
Minority interests	0	(2)	n.m.
Net income	(1,523)	385	n.m.

Note: figures may not add up exactly due to rounding

Banca dei Territori: Q4 vs Q3

€ m

	3Q21	4Q21	Δ%
Net interest income	998	995	(0.2)
Net fee and commission income	1,204	1,231	2.3
Income from insurance business	0	0	(20.3)
Profits on financial assets and liabilities at fair value	24	29	18.0
Other operating income (expenses)	5	1	(69.4)
Operating income	2,231	2,257	1.2
Personnel expenses	(861)	(921)	7.0
Other administrative expenses	(725)	(768)	5.9
Adjustments to property, equipment and intangible assets	(2)	(1)	(63.0)
Operating costs	(1,588)	(1,689)	6.4
Operating margin	643	567	(11.8)
Net adjustments to loans	(348)	(219)	(37.0)
Net provisions and net impairment losses on other assets	(27)	(68)	152.9
Other income (expenses)	52	(41)	n.m.
Income (Loss) from discontinued operations	(0)	(0)	46.0
Gross income (loss)	320	239	(25.3)
Taxes on income	(89)	(80)	(10.3)
Charges (net of tax) for integration and exit incentives	(4)	(160)	n.m.
Effect of purchase price allocation (net of tax)	(1)	(12)	n.m.
Levies and other charges concerning the banking industry (net of tax)	(190)	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(1)	(1)	27.5
Net income	35	(14)	n.m.

Note: figures may not add up exactly due to rounding

IMI Corporate & Investment Banking: 2021 vs 2020

€ m

	2020 redetermined	2021	Δ%
Net interest income	2,048	2,094	2.2
Net fee and commission income	1,049	1,176	12.1
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	1,341	1,299	(3.1)
Other operating income (expenses)	7	2	(71.4)
Operating income	4,445	4,571	2.8
Personnel expenses	(466)	(503)	7.9
Other administrative expenses	(847)	(841)	(0.7)
Adjustments to property, equipment and intangible assets	(21)	(21)	0.0
Operating costs	(1,334)	(1,365)	2.3
Operating margin	3,111	3,206	3.1
Net adjustments to loans	(477)	21	n.m.
Net provisions and net impairment losses on other assets	(41)	(45)	9.8
Other income (expenses)	65	0	(100.0)
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	2,658	3,182	19.7
Taxes on income	(848)	(976)	15.1
Charges (net of tax) for integration and exit incentives	(19)	(24)	26.3
Effect of purchase price allocation (net of tax)	0	20	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	1,791	2,202	22.9

Note: figures may not add up exactly due to rounding

IMI Corporate & Investment Banking: Q4 vs Q3

€ m

	3Q21	4Q21	Δ%
Net interest income	529	507	(4.1)
Net fee and commission income	278	322	16.1
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	339	139	(58.9)
Other operating income (expenses)	(1)	2	n.m.
Operating income	1,145	970	(15.2)
Personnel expenses	(122)	(148)	21.3
Other administrative expenses	(216)	(223)	3.3
Adjustments to property, equipment and intangible assets	(5)	(6)	8.9
Operating costs	(343)	(376)	9.8
Operating margin	802	594	(25.9)
Net adjustments to loans	16	59	281.4
Net provisions and net impairment losses on other assets	(3)	(45)	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	815	609	(25.3)
Taxes on income	(254)	(172)	(32.2)
Charges (net of tax) for integration and exit incentives	(5)	(9)	81.7
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	555	427	(23.1)

Note: figures may not add up exactly due to rounding

International Subsidiary Banks: 2021 vs 2020

€ m

	2020 redetermined	2021	Δ%
Net interest income	1,310	1,337	2.1
Net fee and commission income	505	546	8.1
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	131	127	(3.1)
Other operating income (expenses)	(38)	(38)	0.0
Operating income	1,908	1,972	3.4
Personnel expenses	(527)	(554)	5.1
Other administrative expenses	(393)	(401)	2.0
Adjustments to property, equipment and intangible assets	(110)	(117)	6.4
Operating costs	(1,030)	(1,072)	4.1
Operating margin	878	900	2.5
Net adjustments to loans	(247)	(157)	(36.4)
Net provisions and net impairment losses on other assets	(15)	(74)	393.3
Other income (expenses)	7	6	(14.3)
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	623	675	8.3
Taxes on income	(125)	(143)	14.4
Charges (net of tax) for integration and exit incentives	(59)	(43)	(27.1)
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	(58)	(26)	(55.2)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	381	463	21.5

Note: figures may not add up exactly due to rounding. Excluding the Russian subsidiary Banca Intesa which is included in IMI C&B

International Subsidiary Banks: Q4 vs Q3

€ m

	3Q21	4Q21	Δ%
Net interest income	339	349	2.9
Net fee and commission income	145	138	(4.7)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	31	23	(26.2)
Other operating income (expenses)	(10)	(9)	12.1
Operating income	504	500	(0.8)
Personnel expenses	(138)	(153)	11.1
Other administrative expenses	(101)	(114)	13.1
Adjustments to property, equipment and intangible assets	(29)	(31)	7.2
Operating costs	(267)	(298)	11.4
Operating margin	237	202	(14.5)
Net adjustments to loans	(40)	(39)	(0.9)
Net provisions and net impairment losses on other assets	(8)	(51)	553.5
Other income (expenses)	1	2	162.9
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	190	115	(39.7)
Taxes on income	(34)	(26)	(23.1)
Charges (net of tax) for integration and exit incentives	(10)	(14)	47.0
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	(5)	(5)	0.7
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	142	70	(50.9)

Note: figures may not add up exactly due to rounding. Excluding the Russian subsidiary Banca Intesa which is included in IMI C&IB

Private Banking: 2021 vs 2020

€ m

	2020 redetermined	2021	Δ%
Net interest income	252	212	(15.9)
Net fee and commission income	1,921	2,097	9.2
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	47	46	(2.1)
Other operating income (expenses)	2	21	950.0
Operating income	2,222	2,376	6.9
Personnel expenses	(466)	(483)	3.6
Other administrative expenses	(335)	(350)	4.5
Adjustments to property, equipment and intangible assets	(68)	(73)	7.4
Operating costs	(869)	(906)	4.3
Operating margin	1,353	1,470	8.6
Net adjustments to loans	(18)	3	n.m.
Net provisions and net impairment losses on other assets	(46)	(37)	(19.6)
Other income (expenses)	(4)	195	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	1,285	1,631	26.9
Taxes on income	(378)	(481)	27.2
Charges (net of tax) for integration and exit incentives	(32)	(40)	25.0
Effect of purchase price allocation (net of tax)	(2)	(22)	n.m.
Levies and other charges concerning the banking industry (net of tax)	(12)	(15)	25.0
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	5	3	(40.0)
Net income	866	1,076	24.2

Note: figures may not add up exactly due to rounding

Private Banking: Q4 vs Q3

€ m

	3Q21	4Q21	Δ%
Net interest income	55	51	(7.3)
Net fee and commission income	518	539	4.0
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	9	5	(48.4)
Other operating income (expenses)	6	1	(82.8)
Operating income	589	596	1.2
Personnel expenses	(118)	(140)	18.5
Other administrative expenses	(84)	(96)	13.8
Adjustments to property, equipment and intangible assets	(18)	(19)	4.9
Operating costs	(220)	(255)	15.6
Operating margin	368	341	(7.5)
Net adjustments to loans	(1)	4	n.m.
Net provisions and net impairment losses on other assets	(11)	(9)	(21.1)
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	356	335	(5.8)
Taxes on income	(103)	(92)	(10.6)
Charges (net of tax) for integration and exit incentives	(4)	(25)	521.2
Effect of purchase price allocation (net of tax)	(5)	(6)	30.0
Levies and other charges concerning the banking industry (net of tax)	(15)	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	2	1	(54.5)
Net income	231	213	(7.9)

Note: figures may not add up exactly due to rounding

Asset Management: 2021 vs 2020

€ m

	2020 redetermined	2021	Δ%
Net interest income	(1)	(1)	n.m.
Net fee and commission income	1,074	1,282	19.4
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	(1)	(4)	300.0
Other operating income (expenses)	33	67	103.0
Operating income	1,105	1,344	21.6
Personnel expenses	(103)	(120)	16.5
Other administrative expenses	(108)	(112)	3.7
Adjustments to property, equipment and intangible assets	(7)	(7)	0.0
Operating costs	(218)	(239)	9.6
Operating margin	887	1,105	24.6
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	0	0	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	887	1,105	24.6
Taxes on income	(242)	(296)	22.3
Charges (net of tax) for integration and exit incentives	(2)	(8)	300.0
Effect of purchase price allocation (net of tax)	0	(4)	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(49)	(10)	(79.6)
Net income	594	787	32.5

Note: figures may not add up exactly due to rounding

Asset Management: Q4 vs Q3

€ m

	3Q21	4Q21	Δ%
Net interest income	(0)	(0)	18.2
Net fee and commission income	291	395	35.6
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	(1)	(2)	(190.8)
Other operating income (expenses)	15	12	(15.6)
Operating income	305	406	32.9
Personnel expenses	(28)	(42)	51.8
Other administrative expenses	(28)	(32)	15.6
Adjustments to property, equipment and intangible assets	(2)	(2)	0.9
Operating costs	(57)	(76)	32.6
Operating margin	248	330	32.9
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	0	0	(38.3)
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	248	330	32.9
Taxes on income	(64)	(91)	42.9
Charges (net of tax) for integration and exit incentives	(1)	(6)	473.2
Effect of purchase price allocation (net of tax)	(3)	(1)	(66.7)
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	1	(1)	n.m.
Net income	181	230	27.3

Note: figures may not add up exactly due to rounding

Insurance: 2021 vs 2020

€ m

	2020 redetermined	2021	Δ%
Net interest income	0	0	n.m.
Net fee and commission income	(3)	2	n.m.
Income from insurance business	1,613	1,586	(1.7)
Profits on financial assets and liabilities at fair value	1	0	(100.0)
Other operating income (expenses)	(8)	(16)	100.0
Operating income	1,603	1,572	(1.9)
Personnel expenses	(138)	(143)	3.6
Other administrative expenses	(236)	(238)	0.8
Adjustments to property, equipment and intangible assets	(20)	(20)	0.0
Operating costs	(394)	(401)	1.8
Operating margin	1,209	1,171	(3.1)
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	(26)	(334)	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	1,183	837	(29.2)
Taxes on income	(275)	(211)	(23.3)
Charges (net of tax) for integration and exit incentives	(16)	(42)	162.5
Effect of purchase price allocation (net of tax)	(24)	(52)	116.7
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(177)	180	n.m.
Net income	691	712	3.0

Note: figures may not add up exactly due to rounding

Insurance: Q4 vs Q3

€ m

	3Q21	4Q21	Δ%
Net interest income	(0)	(0)	5.5
Net fee and commission income	0	1	46.1
Income from insurance business	364	397	9.2
Profits on financial assets and liabilities at fair value	0	0	n.m.
Other operating income (expenses)	(4)	(6)	(33.1)
Operating income	360	392	9.0
Personnel expenses	(31)	(40)	29.7
Other administrative expenses	(61)	(70)	15.8
Adjustments to property, equipment and intangible assets	(5)	(5)	(5.0)
Operating costs	(96)	(115)	19.2
Operating margin	263	277	5.3
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	(24)	(179)	657.4
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	240	98	(59.2)
Taxes on income	(63)	(37)	(40.6)
Charges (net of tax) for integration and exit incentives	(11)	(24)	118.9
Effect of purchase price allocation (net of tax)	(4)	(37)	877.3
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	16	95	513.4
Net income	178	96	(46.1)

Note: figures may not add up exactly due to rounding

Quarterly P&L

€ m

	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
	redetermined ⁽¹⁾							
Net interest income	2,040	2,037	2,129	2,072	1,952	1,995	1,999	1,954
Net fee and commission income	2,122	2,014	2,147	2,442	2,313	2,370	2,325	2,532
Income from insurance business	440	456	353	436	398	456	365	410
Profits on financial assets and liabilities at fair value	1,049	306	127	193	795	344	378	108
Other operating income (expenses)	1	29	1	6	32	19	25	16
Operating income	5,652	4,842	4,757	5,149	5,490	5,184	5,092	5,020
Personnel expenses	(1,648)	(1,663)	(1,648)	(1,746)	(1,629)	(1,657)	(1,643)	(1,844)
Other administrative expenses	(694)	(746)	(742)	(896)	(651)	(710)	(693)	(845)
Adjustments to property, equipment and intangible assets	(314)	(314)	(313)	(315)	(307)	(301)	(302)	(338)
Operating costs	(2,656)	(2,723)	(2,703)	(2,957)	(2,587)	(2,668)	(2,638)	(3,027)
Operating margin	2,996	2,119	2,054	2,192	2,903	2,516	2,454	1,993
Net adjustments to loans	(538)	(1,543)	(972)	(1,440)	(402)	(599)	(543)	(1,222)
Net provisions and net impairment losses on other assets	(431)	251	(64)	(121)	(134)	(220)	(82)	(415)
Other income (expenses)	13	0	22	62	198	(7)	63	78
Income (Loss) from discontinued operations	149	1,230	80	129	48	10	(0)	(0)
Gross income (loss)	2,189	2,057	1,120	822	2,613	1,700	1,892	434
Taxes on income	(635)	(362)	(322)	(191)	(837)	(85)	(619)	(82)
Charges (net of tax) for integration and exit incentives	(15)	(22)	(27)	(1,485)	(52)	(55)	(41)	(291)
Effect of purchase price allocation (net of tax)	(26)	(24)	3,237	(1,227)	(16)	(18)	(51)	46
Levies and other charges concerning the banking industry (net of tax)	(206)	(91)	(178)	(38)	(196)	(83)	(210)	(22)
Impairment (net of tax) of goodwill and other intangible assets	0	0	0	(912)	0	0	0	0
Minority interests	(156)	(143)	(20)	(68)	4	48	12	94
Net income	1,151	1,415	3,810	(3,099)	1,516	1,507	983	179

€546m and €393m respectively when excluding the accounting effect of the combination with UBI Banca and of the impairment of goodwill

Note: figures may not add up exactly due to rounding

(1) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and - on the basis of management accounts - the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Net fee and commission income: quarterly development breakdown

€ m

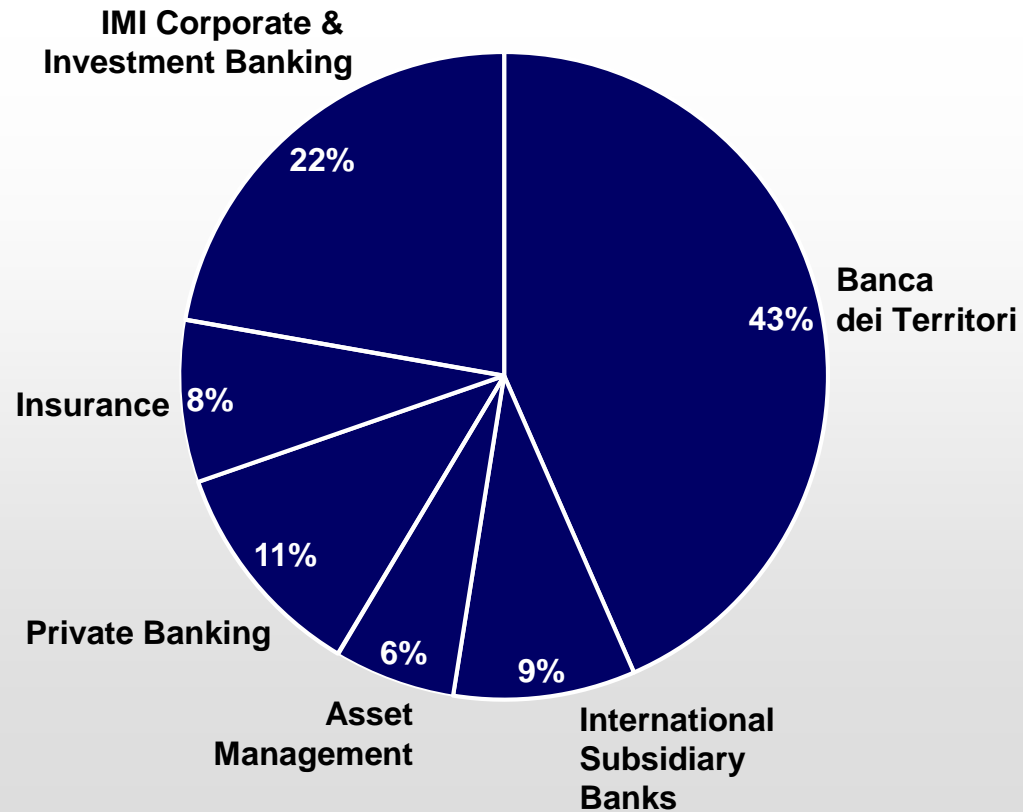
Net fee and commission income								
	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
	redetermined⁽¹⁾							
Guarantees given / received	46	44	43	44	42	51	57	52
Collection and payment services	124	113	115	140	137	139	138	138
Current accounts	352	353	360	366	344	352	352	364
Credit and debit cards	65	73	85	89	61	106	108	89
Commercial banking activities	587	583	603	639	584	648	655	643
Dealing and placement of securities	195	164	189	225	290	283	207	227
Currency dealing	1	1	2	2	3	3	3	4
Portfolio management	663	649	687	844	733	781	764	896
Distribution of insurance products	388	365	396	418	406	383	401	417
Other	77	64	71	72	58	50	58	109
Management, dealing and consultancy activities	1,324	1,243	1,345	1,561	1,490	1,500	1,433	1,653
Other net fee and commission income	211	188	199	242	239	222	237	236
Net fee and commission income	2,122	2,014	2,147	2,442	2,313	2,370	2,325	2,532

Note: figures may not add up exactly due to rounding

(1) Data redetermined - where necessary and material - considering the changes in the scope of consolidation following the inclusion of UBI Banca and - on the basis of management accounts - the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Market leadership in Italy

2021 Operating income breakdown by business area⁽¹⁾



Leader in Italy



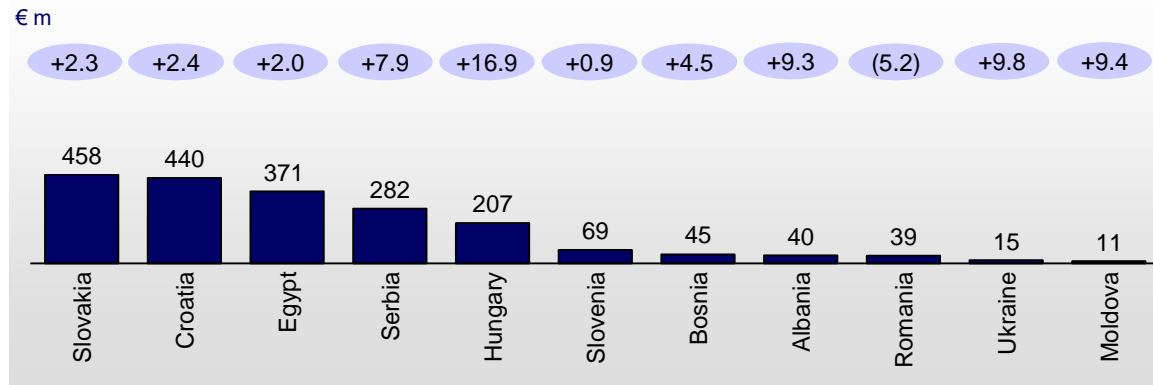
Note: figures may not add up exactly due to rounding
 (1) Excluding Corporate centre
 (2) Data as at 31.12.21
 (3) Including bonds
 (4) Mutual funds; data as at 30.9.21
 (5) Data as at 30.9.21

International Subsidiary Banks: key P&L data by country

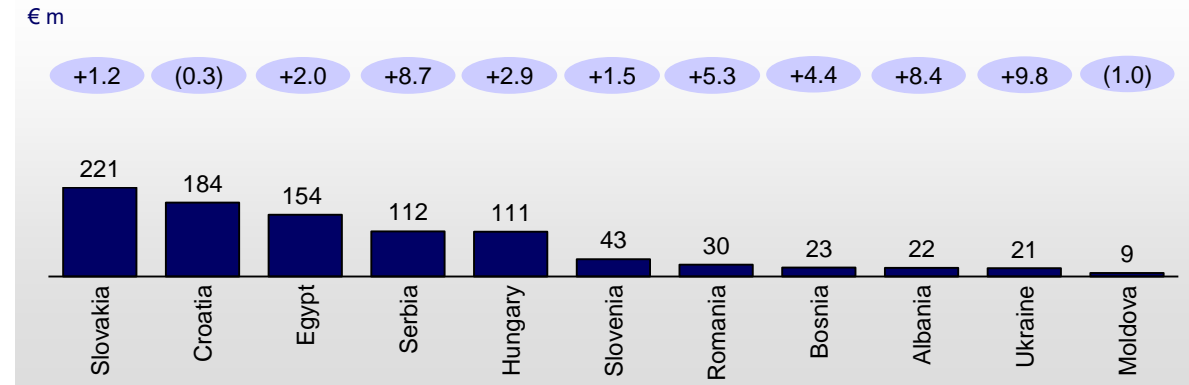
Data as at 31.12.21

(Δ% vs 2020)

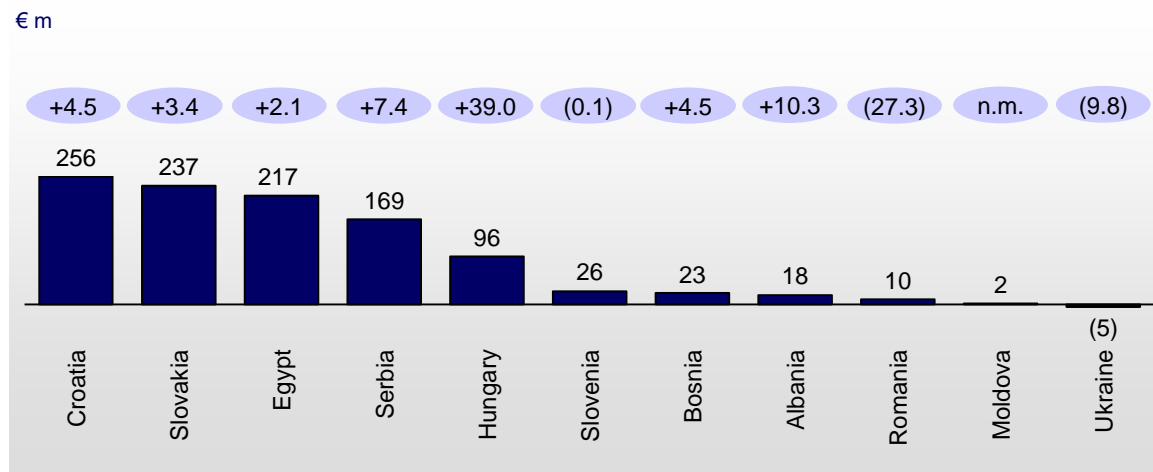
Operating income



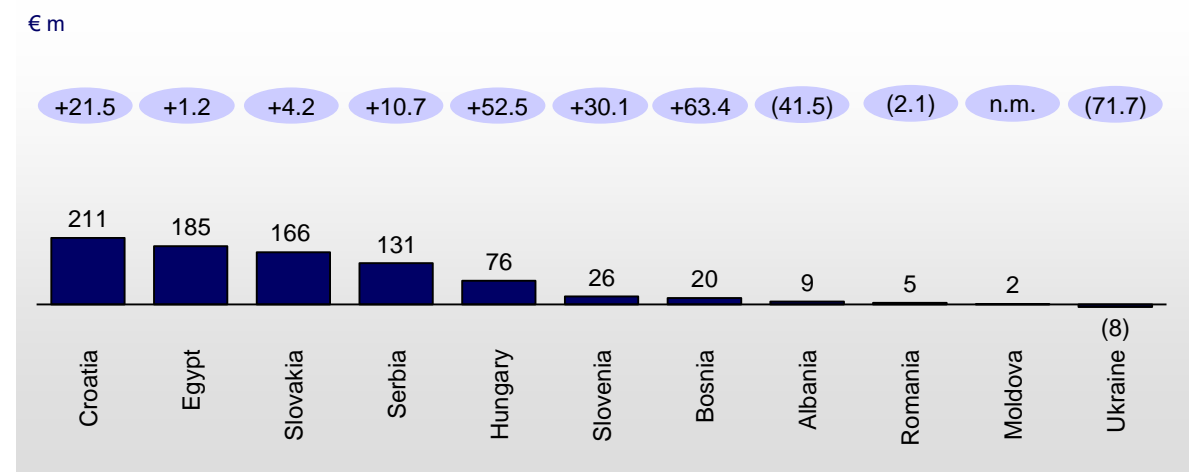
Operating costs



Operating margin



Gross income



Note: excluding the Russian subsidiary Banca Intesa which is included in IMI C&IB

International Subsidiary Banks by country: 8% of the Group's total loans












Data as at 31.12.21

											Total CEE		Total
	Hungary	Slovakia	Slovenia	Croatia	Bosnia	Serbia	Albania	Romania	Moldova	Ukraine		Egypt	
Oper. income (€ m)	207	458	69	440	45	282	40	39	11	15	1,607	371	1,978
% of Group total	1.0%	2.2%	0.3%	2.1%	0.2%	1.4%	0.2%	0.2%	0.1%	0.1%	7.7%	1.8%	9.5%
Net income (€ m)	44	113	18	164	16	90	4	2	1	(8)	445	118	563
% of Group total	1.1%	2.7%	0.4%	3.9%	0.4%	2.1%	0.1%	0.0%	0.0%	n.m.	10.6%	2.8%	13.4%
Customer deposits (€ bn)	5.5	18.0	2.8	10.9	0.9	4.9	1.4	1.0	0.2	0.2	45.8	5.4	51.2
% of Group total	1.0%	3.2%	0.5%	2.0%	0.2%	0.9%	0.3%	0.2%	0.0%	0.0%	8.2%	1.0%	9.2%
Customer loans (€ bn)	3.4	16.5	2.1	7.6	0.8	4.0	0.4	0.9	0.1	0.2	36.1	2.9	39.0
% of Group total	0.7%	3.5%	0.4%	1.6%	0.2%	0.9%	0.1%	0.2%	0.0%	0.0%	7.8%	0.6%	8.4%
Total assets (€ bn)	7.5	23.3	3.5	14.0	1.3	6.5	1.6	1.4	0.2	0.3	59.7	6.7	66.3
% of Group total	0.7%	2.2%	0.3%	1.3%	0.1%	0.6%	0.2%	0.1%	0.0%	0.0%	5.6%	0.6%	6.2%
Book value (€ m)	717	1,705	321	1,829	175	1,014	185	179	35	55	6,215	694	6,909
- intangibles	31	132	7	31	1	41	4	6	2	4	260	9	269

Note: figures may not add up exactly due to rounding. Excluding the Russian subsidiary Banca Intesa which is included in IMI C&IB

International Subsidiary Banks by country: loan breakdown and coverage

Data as at 31.12.21

											Total CEE		Total
	Hungary	Slovakia	Slovenia	Croatia	Bosnia	Serbia	Albania	Romania	Moldova	Ukraine		Egypt	
Performing loans (€ bn)	3.4	16.3	2.1	7.4	0.8	4.0	0.4	0.9	0.1	0.2	35.6	2.8	38.4
of which:													
Retail local currency	48%	60%	41%	30%	32%	24%	21%	14%	55%	31%	45%	57%	46%
Retail foreign currency	0%	0%	0%	20%	14%	29%	13%	14%	0%	0%	8%	0%	8%
Corporate local currency	22%	33%	59%	26%	19%	6%	13%	49%	18%	36%	29%	33%	29%
Corporate foreign currency	30%	6%	0%	24%	36%	41%	53%	23%	28%	33%	18%	10%	17%
Bad loans⁽¹⁾ (€ m)	8	54	0	61	6	15	4	6	1	0	155	1	156
Unlikely to pay⁽²⁾ (€ m)	59	55	8	155	11	25	4	18	1	0	336	56	392
Performing loans coverage	1.6%	0.6%	1.1%	1.6%	1.8%	1.6%	1.8%	1.2%	4.2%	0.6%	1.1%	1.4%	1.1%
Bad loans⁽¹⁾ coverage	60%	78%	100%	66%	70%	78%	56%	65%	57%	n.m.	73%	98%	75%
Unlikely to pay⁽²⁾ coverage	39%	53%	62%	33%	27%	52%	50%	49%	50%	n.m.	42%	46%	43%
Cost of credit⁽³⁾ (bps)	29	43	10	21	35	64	90	62	n.m.	n.m.	38	73	41

Note: figures may not add up exactly due to rounding. Excluding the Russian subsidiary Banca Intesa which is included in IMI C&IB

(1) *Sofferenze*

(2) Including Past due

(3) Net adjustments to loans/Net customer loans

Common Equity Tier 1 ratio as at 31.12.21: from phased-in to pro-forma fully loaded

	~€ bn	~bps
Direct-deduction relevant items		
DTA on losses carried forward ⁽¹⁾	1.9	60
IFRS9 transitional adjustment	(1.5)	(45)
Total	0.4	15
Cap relevant items^(*)(2)		
Total	0.0	25
(*) as a memo, constituents of deductions subject to cap:		
- Other DTA ⁽³⁾	1.5	
- Investments in banking and financial companies	1.3	
RWA from 100% weighted DTA⁽⁴⁾	(8.7)	40
Total estimated impact		80
Pro-forma fully loaded Common Equity Tier 1 ratio		15.2%

Note: figures may not add up exactly due to rounding.

(1) Considering the expected absorption of DTA on losses carried forward (€2.1bn as at 31.12.21)

(2) Following the application of the Danish Compromise, insurance investments are risk weighted instead of being deducted from capital. In the amount of insurance investments, the expected distribution on FY21 Net income of insurance companies is considered, which for the sake of simplicity is left included in the benefit allocated to this caption

(3) Other DTA: mostly related to provisions for risks and charges, considering the total absorption of DTA related to IFSR9 FTA (€1.1bn as at 31.12.21) and DTA related to the non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of operations of the two former Venetian banks (€0.1bn as at 31.12.21), DTA related to the acquisition of UBI Banca and to the new agreement with trade unions signed on 16.11.21 (€0.7bn as at 31.12.21). DTA related to goodwill realignment and adjustments to loans are excluded due to their treatment as credits to tax authorities

(4) Considering the total absorption of DTA convertible into tax credit related to goodwill realignment (€5.8bn as at 31.12.21) and adjustments to loans (€2.9bn as at 31.12.21)

Total exposure⁽¹⁾ by main countries

€ m

	DEBT SECURITIES						LOANS
	Banking Business				Insurance Business ⁽³⁾	Total	
	AC	FVTOCI	FVTPL ⁽²⁾	Total			
EU Countries	35,377	43,502	668	79,547	79,115	158,662	426,766
Austria	193	167	-107	253	358	611	1,677
Belgium	804	2,816	224	3,844	709	4,553	928
Bulgaria			-2	-2	129	127	23
Croatia	278	751	151	1,180	240	1,420	7,514
Cyprus					99	99	32
Czech Republic	101			101	41	142	981
Denmark	33	18		51	68	119	45
Estonia					2	2	5
Finland	15	55	-33	37	146	183	329
France	2,903	5,432	-719	7,616	6,036	13,652	12,118
Germany	1,294	1,359	-476	2,177	2,784	4,961	8,102
Greece	62		49	111	6	117	13
Hungary	389	806	34	1,229	70	1,299	3,239
Ireland	459	1,407	517	2,383	128	2,511	644
Italy	23,520	18,244	1,879	43,643	60,511	104,154	357,872
Latvia			3	3	21	24	31
Lithuania							1
Luxembourg	229	485	76	790	133	923	7,641
Malta							191
The Netherlands	266	887	147	1,300	1,302	2,602	1,866
Poland	201	129		330	62	392	1,235
Portugal	194	327	-110	411	685	1,096	147
Romania	66	369	22	457	458	915	1,012
Slovakia		923		923	47	970	14,194
Slovenia	1	200	-23	178	42	220	2,065
Spain	4,345	8,890	-967	12,268	4,888	17,156	4,533
Sweden	24	237	3	264	150	414	328
Albania	181	400		581	53	634	477
Egypt		1,839	1	1,840	127	1,967	3,509
Japan	58	3,321	6	3,385	173	3,558	710
Russia	9	50		59	68	127	5,571
Serbia	7	730	10	747	107	854	4,268
United Kingdom	650	623	13	1,286	1,876	3,162	16,209
U.S.A.	2,195	6,416	206	8,817	3,140	11,957	7,932
Other Countries	1,844	7,038	369	9,251	3,755	13,006	25,569
Total	40,321	63,919	1,273	105,513	88,414	193,927	491,011

Note: management accounts. Figures may not add up exactly due to rounding

(1) Exposure to sovereign risks (central and local governments), banks and other customers. Book Value of Debt Securities and Net Loans as at 31.12.21

(2) Taking into account cash short positions

(3) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

Exposure to sovereign risks⁽¹⁾ by main countries

€ m

	DEBT SECURITIES							LOANS
	Banking Business				Insurance Business ⁽³⁾	Total	FVTOCI/AFS Reserve ⁽⁴⁾	
	AC	FVTOCI	FVTPL ⁽²⁾	Total				
EU Countries	22,493	35,693	-1,454	56,732	68,852	125,584	131	10,967
Austria		71	-96	-25	241	216		
Belgium	758	2,747	224	3,729	503	4,232	-36	
Bulgaria			-2	-2	67	65		
Croatia	147	751	151	1,049	230	1,279		1,247
Cyprus					99	99		
Czech Republic								
Denmark								
Estonia								
Finland			-38	-38	30	-8		
France	2,365	3,985	-761	5,589	3,327	8,916	-56	27
Germany	510	395	-496	409	1,624	2,033		
Greece			47	47	6	53		
Hungary	199	770	34	1,003	56	1,059	5	113
Ireland	137	364	10	511	96	607	3	
Italy	14,279	16,141	460	30,880	57,447	88,327	201	9,099
Latvia			3	3	21	24		27
Lithuania								
Luxembourg		134	59	193		193		
Malta								
The Netherlands	52	120	50	222	327	549	1	
Poland	52	69		121	26	147	-1	
Portugal	83	310	-127	266	620	886	-1	
Romania	66	369	22	457	435	892	-8	5
Slovakia		895		895		895	6	169
Slovenia	1	193	-23	171	42	213		225
Spain	3,844	8,360	-971	11,233	3,655	14,888	17	55
Sweden		19		19		19		
Albania	181	400		581	53	634	7	1
Egypt		1,839	1	1,840	127	1,967	10	391
Japan		3,004		3,004		3,004	8	
Russia		50		50	21	71		
Serbia	7	730	10	747	107	854	4	70
United Kingdom		192	1	193	66	259	-6	
U.S.A.	1,358	4,841	95	6,294	7	6,301	-115	
Other Countries	1,508	5,124	272	6,904	1,609	8,513	-56	5,109
Total	25,547	51,873	-1,075	76,345	70,842	147,187	-17	16,538

**Banking business government bond
duration: 6.8y
Adjusted duration due to hedging: 0.4y**

Note: management accounts. Figures may not add up exactly due to rounding

(1) Exposure to central and local governments. Book Value of Debt Securities and Net Loans as at 31.12.21

(2) Taking into account cash short positions

(3) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

(4) Net of tax and allocation to insurance products under separate management

Exposure to banks by main countries⁽¹⁾

€ m

	DEBT SECURITIES						LOANS
	Banking Business				Insurance Business ⁽³⁾	Total	
	AC	FVTOCI	FVTPL ⁽²⁾	Total			
EU Countries	1,864	3,940	707	6,511	4,785	11,296	21,362
Austria	174	46	-11	209	91	300	198
Belgium	11	49	-2	58	97	155	284
Bulgaria							
Croatia	43			43		43	35
Cyprus							2
Czech Republic					3	3	
Denmark	20	8		28	45	73	28
Estonia							
Finland	9	14		23	57	80	66
France	290	962	-7	1,245	1,653	2,898	10,208
Germany	74	544	13	631	362	993	6,038
Greece			2	2		2	5
Hungary	124	36		160	12	172	91
Ireland	7	27		34	1	35	298
Italy	756	1,188	736	2,680	1,585	4,265	3,293
Latvia							
Lithuania							
Luxembourg		181	-4	177	41	218	114
Malta							135
The Netherlands	101	292	-6	387	391	778	127
Poland		51		51		51	
Portugal		17	-3	14		14	2
Romania							40
Slovakia		28		28		28	
Slovenia		7		7		7	6
Spain	237	335	-12	560	392	952	382
Sweden	18	155	1	174	55	229	10
Albania							22
Egypt							61
Japan	29	143		172	64	236	2
Russia					4	4	100
Serbia							49
United Kingdom	158	245	-7	396	694	1,090	3,909
U.S.A.	293	793	44	1,130	1,645	2,775	505
Other Countries	72	1,377	78	1,527	915	2,442	5,233
Total	2,416	6,498	822	9,736	8,107	17,843	31,243

Note: management accounts. Figures may not add up exactly due to rounding

(1) Book Value of Debt Securities and Net Loans as at 31.12.21

(2) Taking into account cash short positions

(3) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

Exposure to other customers by main countries⁽¹⁾

€ m

	DEBT SECURITIES						LOANS
	Banking Business				Insurance Business ⁽³⁾	Total	
	AC	FVTOCI	FVTPL ⁽²⁾	Total			
EU Countries	11,020	3,869	1,415	16,304	5,478	21,782	394,437
Austria	19	50		69	26	95	1,479
Belgium	35	20	2	57	109	166	644
Bulgaria					62	62	23
Croatia	88			88	10	98	6,232
Cyprus							30
Czech Republic	101			101	38	139	981
Denmark	13	10		23	23	46	17
Estonia					2	2	5
Finland	6	41	5	52	59	111	263
France	248	485	49	782	1,056	1,838	1,883
Germany	710	420	7	1,137	798	1,935	2,064
Greece	62			62		62	8
Hungary	66			66	2	68	3,035
Ireland	315	1,016	507	1,838	31	1,869	346
Italy	8,485	915	683	10,083	1,479	11,562	345,480
Latvia							4
Lithuania							1
Luxembourg	229	170	21	420	92	512	7,527
Malta							56
The Netherlands	113	475	103	691	584	1,275	1,739
Poland	149	9		158	36	194	1,235
Portugal	111		20	131	65	196	145
Romania					23	23	967
Slovakia					47	47	14,025
Slovenia							1,834
Spain	264	195	16	475	841	1,316	4,096
Sweden	6	63	2	71	95	166	318
Albania							454
Egypt							3,057
Japan	29	174	6	209	109	318	708
Russia	9			9	43	52	5,471
Serbia							4,149
United Kingdom	492	186	19	697	1,116	1,813	12,300
U.S.A.	544	782	67	1,393	1,488	2,881	7,427
Other Countries	264	537	19	820	1,231	2,051	15,227
Total	12,358	5,548	1,526	19,432	9,465	28,897	443,230

Note: management accounts. Figures may not add up exactly due to rounding

(1) Book Value of Debt Securities and Net Loans as at 31.12.21

(2) Taking into account cash short positions

(3) Excluding securities in which money is collected through insurance policies where the total risk is retained by the insured

Disclaimer

“The manager responsible for preparing the company’s financial reports, Fabrizio Dabbene, declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this presentation corresponds to the document results, books and accounting records”.

* * *

This presentation includes certain forward looking statements, projections, objectives and estimates reflecting the current views of the management of the Company with respect to future events. Forward looking statements, projections, objectives, estimates and forecasts are generally identifiable by the use of the words “may,” “will,” “should,” “plan,” “expect,” “anticipate,” “estimate,” “believe,” “intend,” “project,” “goal” or “target” or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts, including, without limitation, those regarding the Company’s future financial position and results of operations, strategy, plans, objectives, goals and targets and future developments in the markets where the Company participates or is seeking to participate.

Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements as a prediction of actual results. The Group’s ability to achieve its projected objectives or results is dependent on many factors which are outside management’s control. Actual results may differ materially from (and be more negative than) those projected or implied in the forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results and is based on certain key assumptions.

All forward-looking statements included herein are based on information available to the Company as of the date hereof. The Company undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements.