



2021 Consolidated Non-financial Statement

in accordance with Legislative Decree No. 254 of 2016



This is an English translation of the original Italian document. In cases of conflict between the English language document and the Italian document, the interpretation of the Italian language document prevails.

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Fabrizio DABBENE

INDIPENDENT AUDITORS

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(*) Appointed by the Shareholders' Meeting on 27 April 2020 after co-option by the Board of Directors on 2 December 2019; stepped down on 28 February 2022.

(**) Member of the Management Control Committee.

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Letter to Stakeholders

In spite of a global scenario marked by the COVID-19 health emergency, Intesa Sanpaolo has succeeded in implementing the 2018-2021 Business Plan, through a strategy based on sustainability and strong local presence, confirming its capital strength and the ability to create long-term value for all stakeholders. Concurrently, once the integration of UBI Banca was successfully completed, the Group began to pave the way for the new Business Plan, with the aim of further strengthening Intesa Sanpaolo's role in society and on the market as a strong Bank, a leader in building a more sustainable world.

This document aims to emphasise the numerous results achieved at the end of the 2018-2021 Plan, with a projection on the future commitments included in the new 2022-2025 Business Plan.

Intesa Sanpaolo continues to be a leading model for sustainability, as reflected by its positioning in the main international indices and rankings. It is the only Italian bank included in the Dow Jones World and Europe Sustainability Indices and ranks first among its peers by MSCI, Sustainalytics and Bloomberg (ESG Disclosure Score). In 2021, it was also classed the best European bank and the best Italian company in for ESG aspects in the Institutional Investor ranking and in October 2021 it was also included in the new Euronext - Borsa Italiana MIB ESG Index.

Intesa Sanpaolo has signed up to all the main United Nations initiatives concerning sustainability in the financial sector, which form part of the achievement of the UN Sustainable Development Goals: in addition to Global Compact, the Principles for Responsible Banking, the Principles for Sustainable Insurance and the Principles for Responsible Investment. Since October 2018, it has supported the Task Force recommendations on Climate-related Financial Disclosures (TCFD) in terms of reporting on issues related to the climate and the transition to a low-emission economy and in October 2021 it published its first TCFD Report. Still on the subject of reporting, in September 2021 the Bank also made a commitment to adopting and implementing the Stakeholder Capitalism Metrics developed by the World Economic Forum, indicators that have been included for the first time in this document. The excellence of the Bank's sustainability reporting was rewarded with Intesa Sanpaolo's Consolidated Non-Financial Statement being awarded the 2021 Oscar di Bilancio (a prize that each year FERPI gives to the best companies in terms of reporting and in their relations with their stakeholders).

A significant step in the Group's journey towards combating climate change is represented by the formalisation of the commitment to the net zero emissions target by 2050, through its participation, during the last quarter of the year, in all Net-Zero alliances promoted by the UNEP Finance Initiative: Net-Zero Banking Alliance (NZBA), Net Zero Asset Managers Initiative (NZAMI), Net-Zero Asset Owner Alliance (NZOA) and Net-Zero Insurance Alliance (NZIA). Over a year ahead of the deadline set by the NZBA, Intesa Sanpaolo has therefore defined, within the 2022-2025 Business Plan, its 2030 net zero emissions targets for the oil and gas, energy production, automotive and coal mining sectors. These sectors represent over 60% of the emissions financed by the portfolio of non-financial companies in the sectors indicated by the NZBA. The Group is also committed to bringing its own emissions to net zero in 2030, with the purchase of 100% of energy from renewable sources at Group level. In terms of natural capital conservation, the 2022-2025 Business Plan includes the development of a specific biodiversity policy and a major reforestation project, with the goal of planting over 100 million trees either directly or through customer loans.

During the year, the large-scale internal ISP4ESG programme, launched in 2019 to consolidate Intesa Sanpaolo's leadership in sustainability, involved all the Group's Divisions and Governance Areas in the process of integrating the ESG logics into the Bank's business model and strategy, with the aim of responding appropriately to the challenges of the external context and Stakeholders' expectations, generating a positive and tangible impact within the company and on society. The Programme addresses the priorities defined by the ESG Control Room, which plays a supporting role to the Steering Committee as regards the strategic proposition and operational coordination on ESG issues, also relying on the Sustainability Managers identified for each Division and Governance Area.

In terms of ESG Governance, it is worth noting that the Risks Committee was renamed Risk and Sustainability Committee at the beginning of 2022, with the strengthening of its powers on the subject of sustainability.

With the 2022-2025 Business Plan, Intesa Sanpaolo intends to further strengthen its role as a leading bank for ESG issues, ensuring that the creation of solid and sustainable value for all stakeholders remains a top priority.

In particular, ESG issues have become one of the four pillars of the 2022-2025 Plan, in line with the commitments declared in the Group's new Mission, approved in January 2022.

Intesa Sanpaolo has long been at the forefront of accelerating the transition to a low-emission economy with specific credit lines for private individuals and businesses and with an increasingly wide range of sustainable investment products. To this end, the Group has allocated 76 billion euro to the Green and Circular Economy and the ecological transition, as part of the over 400 billion euro commitment in support of the National Recovery and Resilience Plan.

In 2021, loans to the Green and Circular Economy more than tripled compared to 2020, reaching 8.7 billion euro (11.2% of the total Group loans), 5.5 billion euro of which from the Circular economy credit plafond. The partnership with the Ellen MacArthur Foundation, the main promoter of the global transition towards the Circular Economy, was renewed for the

three-year period 2022-2024 in support of the commitment thereof.

In order to help companies improve their sustainability profile and guide them through a process of structural change, Intesa Sanpaolo has also expanded its offering of S-Loans (loans linked to ESG KPIs), for which a 2 billion euro credit line had been allocated (1.2 billion euro disbursed in 2021).

Moreover, the Group has retained its leadership in sustainable investments: in particular, Eurizon provides 172 funds that include a focus on environmental or social issues, or have sustainable investment objectives, classified according to Articles 8 and 9 of the new Sustainable Finance Disclosure Regulation. The current 110 billion euro, which represent around 46% of the assets under management, are expected to increase until they reach the 156 billion euro target in 2025, accounting for 60% of total assets.

In addition to solutions that facilitate a transition to a more sustainable economy, Intesa Sanpaolo is also strongly committed to social inclusion, a crucial factor with a view to a fair and inclusive transition. In 2021, the Group disbursed new loans for initiatives with a high social impact to the tune of approximately 20.6 billion euro (26.6% of the total disbursed), almost 14 billion euro of which went to support the production system during the health emergency (around 43 billion euro since the start of the pandemic).

In terms of loans to categories that would otherwise struggle to access credit despite their potential, the Fund for Impact has been operational since 2018, with a budget of 1.5 billion euro.

In the social sphere, there was no lack of monetary contribution to the community in 2021 as well, amounting to approximately 80 million euro. Intesa Sanpaolo's Charity Allowance disbursed approximately 14 million euro in support of over 800 projects carried out by non-profit organisations, with 99% of resources being allocated to measures in favour of the more vulnerable categories of the population. The activities of the food and shelter programme for the needy also continued and, since 2018, it has been possible to distribute 24.8 million meals, 1.5 million beds, around 296,000 medicines and around 249,000 items of clothing.

The Bank's social commitment also entailed the dissemination of financial education through the Museo del Risparmio (Savings Museum), which in 2021 involved 46,000 users, both face-to-face and online, with 844 teaching hours and the organisation of 53 events, and with the support provided to Feduf projects and the Young Factor initiative, which reached over 600,000 young people.

The cultural activities of Gallerie d'Italia continued with the opening of 14 new exhibitions in 2021 and over 145,000 visitors as from the end of April 2021, when the Gallerie were reopened to the public.

In its 2022-2025 Business Plan, Intesa Sanpaolo has also included important social and cultural initiatives: from meeting social needs with new initiatives, for example, in favour of the young and senior population (including one of the most extensive social housing programmes in Italy and the creation of community hubs), to providing support to financial inclusion through cumulative social credit flows to the tune of 25 billion euro, to the continuous commitment towards culture through, for example, the plan to double the Gallerie d'Italia exhibition spaces by 2025.

The digital transition plays an equally important role. Intesa Sanpaolo continued along the path of Group transformation to assert its role as a digital company. In 2021, the Group served approximately 12.9 million multichannel customers in Italy, approximately 8.1 million customers using the Intesa Sanpaolo app, recognised by Forrester as a "Digital Leader" and included in various Best Practices categories among European banking apps, and around 3.6 million digital sales.

The new 2022-2025 Business Plan announced the creation of Isybank, a new Digital Bank set up to effectively serve a significant portion of retail customers with basic financial needs, with cutting-edge technology, distinctive features and a service model geared towards providing customers with the best digital experience.

The results achieved in the 2018-2021 Business Plan and the implementation of the new 2022-2025 Business Plan hinge upon the Group's people, who are the most important resource, investing in the enhancement and development of their professional and managerial skills. In 2021, the Group provided a total of around 13 million hours of training, which were increasingly focused on ESG issues and which enabled the Group to achieve the target set by the 2018-2021 Business Plan.

Intesa Sanpaolo's attention to the Group's people is reflected in the outcome of the climate survey held in 2021, which showed a satisfaction index of 79%, with employees having the perception of an increasingly secure workplace and feeling a sense of pride in sharing the company vision and culture.

The continuous development, professional growth and satisfaction of the Group's people are also fundamental objectives of the new 2022-2025 Business Plan: the Group will therefore continue to invest in its talents, encouraging diversity and inclusion and creating a unique ecosystem of skills in keeping with the evolution of the way of banking, supported by technology investments and the development of new work organisation models launched in the time horizon of the 2018-2021 Plan and further accelerated by the pandemic.


Carlo Messina



Gian Maria Gros-Pietro



KEY

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Executive Summary

Main performance indicators

The complexity of the scenario resulting from the COVID-19 epidemic* characterised 2021 and, together with the integration with UBI Banca, contributed to influencing the trends of the Group's main sustainability/ESG performance indicators.

Over the last two years, in the extremely challenging context brought on by the pandemic, the Group has continued to support distressed businesses and households, endeavouring on a daily basis to best meet the needs of its customers. More specifically, Intesa Sanpaolo confirmed its ability to be a point of reference in the countries in which it operates, especially in Italy, in line with the commitments undertaken with the 2018-2021 Business Plan.

In terms of its results, of particular note was the approx. 77 billion euro of new mid- to long-term credit granted, over 21 billion of which in the form of high-social-impact loans (around 27% of the total). Of this sum, around 14 billion euro was allocated to support the production system during the health emergency (around 43 billion euro since the start of the pandemic). The Group also continued to extend its initiatives within the Fund for Impact to support financial inclusion.

Loans to the Green and Circular Economy amounted to 8.7 billion euro (11.2% of the total), more than tripled compared to 2020 (+213%). The increase concerned in particular green mortgages, loans falling within the scope of the circular economy credit plafond and project finance. In March 2021, Intesa Sanpaolo issued a 1.25 billion euro green bond with a focus on mortgages, recording applications to the tune of over 3.5 billion euro.

The Group also confirmed its commitment to combating climate change by joining the Net-Zero Alliance for all business lines.

Moreover, the Group retained its leadership in sustainable investments: in particular, Eurizon provides 172 funds that include a focus on environmental or social issues, or have sustainable investment objectives, classified according to Articles 8 and 9 of the new Sustainable Finance Disclosure Regulation - SFDR, with around 110 billion euro of assets representing around 46% of the total assets of the funds managed.

In a highly digitalised and competitive context, characterised by the need to activate continuous processes of transformation and innovation, the commitment of Intesa Sanpaolo is supported by a state-of-the-art infrastructure and a strong value proposition on digital channels that has made it possible to ensure business continuity, placing the Bank among Europe's best practices, with approximately 12.9 million multichannel customers, 8.1 million customers using the Intesa Sanpaolo app and 3.6 million digital sales. The Group's work highlights cybersecurity practices already aligned with the best international standards and certified by third parties, thanks to careful data management and a focus on risk management issues.

Service quality continued to play a central role, supported by the sound performance of customer satisfaction indices.

The monetary contribution to the community amounted to over 80 million euro, confirming the Group's constant attention to the local territory and the most vulnerable categories of the population. In 2021, the area that benefited from the largest number of initiatives was art and culture: in a post-pandemic context, the Group thus resumed its work to boost also other areas that generate a significant social impact for the community and the territories in which it operates.

The initiatives put in place to reduce child poverty and provide support for people in need have made it possible to distribute almost 27 million meals, beds, medicines and items of clothing since 2018: these important results were achieved in advance compared to the timing envisaged in the 2018-2021 Business Plan objective.

Intesa Sanpaolo confirms its ability to achieve and exceed the set objectives, even in a period of exceptional complexity, thanks to the professional quality of the people working in the Group, who were guaranteed safe working conditions throughout the pandemic, in particular by enabling approximately 78,000 employees to work remotely and by providing access to Digital learning to all employees in Italy. The total number of training hours provided in 2021, equal to approximately 13 million, remains at very high levels, allowing the Group to reach the goal set by the 2018-2021 Business Plan. In particular, in 2021, training on ESG issues, to which the Group attributes great importance, reached approximately 77% of Group's people with around 700,000 hours provided overall.

The climate survey conducted in 2021 confirmed the strong appreciation felt by Intesa Sanpaolo employees towards their work environment and the Bank in general, with a satisfaction index of 79%, evidence of their sense of belonging as the cornerstone of the achievement of the Group's excellent performance.

The significantly positive results obtained, also confirmed by Intesa Sanpaolo's positioning in the main sustainability indices, allow the Group to continue to play its role as the driving force behind inclusive and sustainable growth and to lay solid foundations for the new 2022-2025 Business Plan.

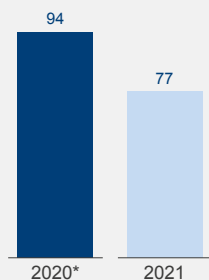
* For more in-depth insights as regards the main impacts of COVID-19 on financial performance, one should refer to the Consolidated Annual Report for the years 2020 and 2021.

GROUP VALUE AND SOLIDITY



New medium/long-term credit granted to the real economy

€ bn

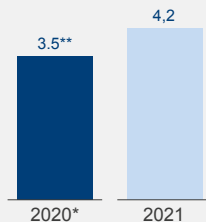


Intesa Sanpaolo confirmed its position as an accelerator for the growth of the real economy in Italy: out of the ~77 billion euro of new medium/long-term loans in 2021, ~66 billion euro was disbursed in Italy, ~55 billion euro of which to households and small and medium enterprises. This excellent result helped exceed the ambitious goal of the 2018-2021 Business Plan of providing new medium/long-term loans to the real economy to the tune of around 250 billion euro over the four-year period.

Around 10,000 companies returned from non-performing to performing status in 2021 protecting over ~50,000 jobs; the Group also made available over 400 billion euro in terms of new medium/long-term loans for businesses and households in support of the National Recovery and Resilience Plan.

Net income

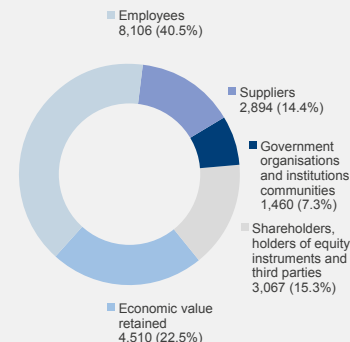
€ bn



The 2021 results confirm Intesa Sanpaolo's ability to effectively address the complexity of the pandemic context, realising the best Net Income since 2007 equal to 4.2 billion euro (+19% vs 2020), 5.3 billion euro excluding additional provisions on portfolios of non-performing loans to accelerate deleveraging. The excellent performance was achieved despite the impact of COVID-19, successfully completing the merger with UBI Banca and paving the way for the new 2022-2025 Business Plan.

Economic value breakdown 2021

€ m / %



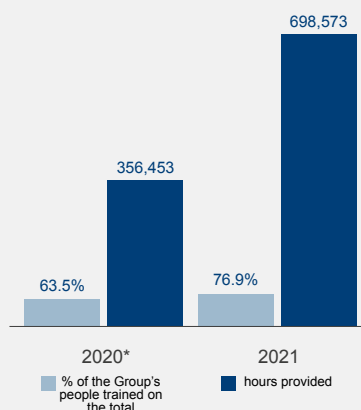
The economic value generated in 2021, equal to over 20 billion euro, is up compared to the 2020 value* (19.5 billion euro). The highest portions of the distributed economic value were allocated to the Group's people and to the Shareholders. In particular, employees and other staff benefited from over 41% of the economic value generated, for a total of 8 billion euro, especially in relation to remuneration and compensation. Approximately 15% of the economic value generated was allocated to Shareholders, holders of equity instruments and minority interests, largely in terms of the proposed dividend, for a total of approximately 3 billion euro.

INTEGRITY IN CORPORATE CONDUCT



Training on ESG issues***

no. hours provided and % of the Group's people trained on the total



In 2021, training activities on ESG issues were the subject of a specific focus in terms of both planning and implementation. Initiatives were developed which, through the provision of live and digital content, reached approximately 77% of Group's people with a number of hours almost doubled compared to 2020; the weight of ESG training hours is equal to 14% of the training hours provided in 2021. The strong involvement confirms Intesa Sanpaolo's growing attention to ESG and sustainability issues.

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Excluding the accounting impact deriving from the business combination with UBI Banca and the write-down of goodwill.

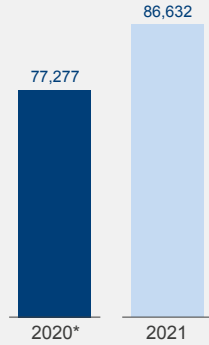
*** The data shown do not include the training initiatives already detailed in dedicated tables (see those relating to the different regulatory areas), even though they fall within the ESG area.

INTEGRITY IN CORPORATE CONDUCT



Training on privacy protection

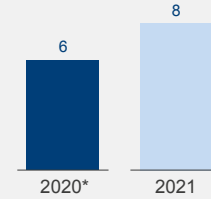
no. hours provided



The increase in training hours on the subject of privacy protection confirms Intesa Sanpaolo's continued commitment to the implementation of regulatory, organisational and technological measures aimed at adequately responding to the privacy and personal data protection requirements of the Group's people and its customers.

Cases of customer data being lost or stolen

no. cases notified to the Guarantor Authority



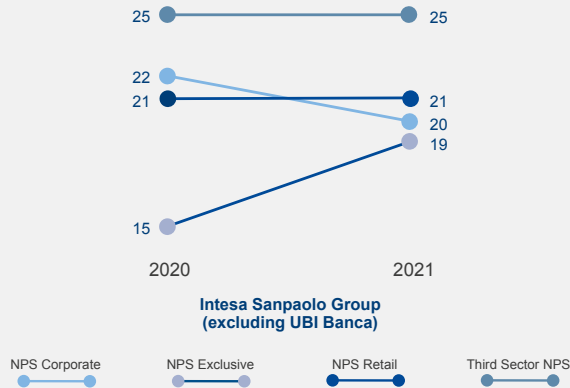
In 2021 the number of cases notified to the Data Protection Authority remains at very low levels with three incidents in Italy and five abroad in the EU, as evidence of the Group's continued commitment in the privacy and data protection sector.

QUALITY OF SERVICE AND CUSTOMER SATISFACTION



Net Promoter Score

no. index points



The NPS is an indicator that expresses the likelihood of customers to recommend a product, service or company, calculated in index points (between -100 and +100) subtracting the percentage of detractors (dissatisfied customers) from the percentage of promoters (loyal customers) obtained. The 2021 figure relates only to Intesa Sanpaolo long-term customers, while the surveys on former UBI customers were only launched as from May 2021. The NPS is up compared to 2020 on Exclusive customers, it is stable on Retail and Third Sector customers and is essentially stable on the Corporate side, despite the complex work associated with the integration of the UBI branches, which also led to the relocation of several customers to new portfolios, creating discontinuity in the relationship of some Intesa Sanpaolo long-term customers; this is a positive sign of good customer management at a time of major changes.

The 2021 figures confirm the Group's commitment to developing the best quality in customer service levels.

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

INNOVATION, DIGITAL TRANSFORMATION AND CYBERSECURITY



Support for innovation



The Group supports high-potential startups and accelerates the transformation of businesses according to open innovation and circular economy criteria, acting as a key player in the innovation ecosystem in support of startups through the management of acceleration processes either independently or with specialised Italian and international partners.

Multichannel banking in Italy



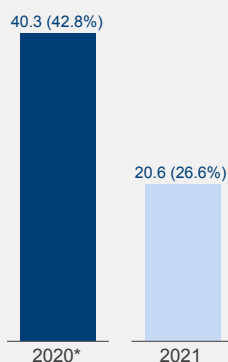
The strong value proposition on digital channels enabled an immediate business response by successfully mitigating the impact of the COVID-19 pandemic. The Group is a European leader for its mobile app functionalities and its strong digital solutions. In 2021, multi-channel customers increased by 1.3 million euro compared to 2020 (including UBI Banca and considering the sale of branches performed in the first half of 2021). Furthermore, compared to 2020, a strong increase, equal to 76%, was recorded in the sales of products on digital channels. Multi-channel customers and digital sales also increased as a result of the particular context linked to the COVID-19 emergency

FINANCIAL INCLUSION AND SUPPORTING PRODUCTION



Loans disbursed for initiatives with high social impact

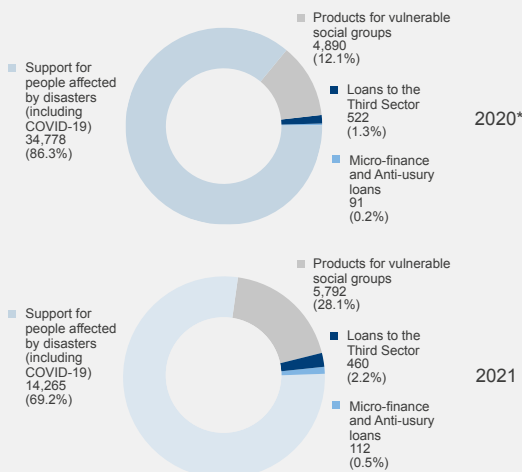
€ bn / % on loans



Over the last two years, in the extremely challenging context of the health emergency, the Group has continued to support distressed businesses and households. The trend of high social impact loans is mainly influenced by the disbursements relating to 2020 in favour of the category most hard hit by COVID-19, in response to the first phase of the pandemic, which were higher than in 2021. Prior to the pandemic, they stood at 3.8 billion euro in 2019. More specifically, in 2021 almost 14 billion euro in loans were granted by the Group as part of the "Liquidity Decree" (approximately 43 billion euro since the start of the health emergency).

Social impact loans breakdown

€ m / %



In 2021, the Group's contribution, in addition to the support for people affected by disaster situations (around 69%), an area that remains significant due to the persistence of the pandemic context, is also at fairly high levels on other types of loans.

Particularly worthy of note is the increase in mortgage disbursements to young people, equal to +30% vs 2020, in the context of products targeted at vulnerable social groups.

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

FINANCIAL INCLUSION AND SUPPORTING PRODUCTION



Fund for Impact

per Merito: € m loans granted

€71m granted in 2021

€51.5m granted in 2020

~€162m granted since beginning 2019

XME StudioStation: € m granted

~€0.5m granted in 2021

~€1.7m granted since launch

MAMMA@WORK: € m granted

~€0.8m granted in 2021

~€1m granted since launch

The Group's strong focus on financial inclusion resulted in the establishment of the Fund for Impact at the end of 2018, which allows the disbursement of 1.5 billion euro of loans to sections of society that would otherwise find it difficult to access credit despite their potential. Among the initiatives, the following stand out: "per Merito", the first unsecured credit line dedicated to young university students residing in Italy; "Mamma@work", aimed at working mothers to support them financially following maternity; "XME StudioStation", a loan for families with children who are studying through distance learning, to fund the purchase of computers and internet connectivity.

Furthermore, support is also provided for working mothers in India and people over 50 who have lost their jobs or have difficulty accessing pension schemes.

Three new initiatives were launched in July 2021: "Per Esemplio" – intended for volunteers taking part in Civil Service; "per Crescere", for parents with school-age children, and "per avere Cura", intended for families with members that are not self-sufficient.

SUSTAINABLE INVESTMENTS AND INSURANCE



Sustainable investments*

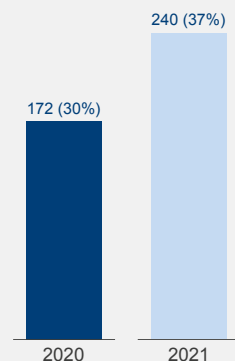
Eurizon - € bn and ● % on total managed funds



The Group confirmed its leadership in sustainable investments. Specifically, Eurizon offers a diverse range of products across 172 funds in all the asset classes that include a focus on environmental or social issues, or have sustainable investment objectives, classified according to Articles 8 and 9 of the SFDR, with around ~110 billion euro of assets representing around 46% of the total assets of the Funds managed. Fideuram offers 8 funds classified according to Articles 8 and 9 of the SFDR with a total of 2.6 billion euro of assets (around 3% of the total assets of the funds managed).

ESG engagement activities with issuers

Eurizon - no. and % of companies where ESG engagement activities were conducted



The companies subject to ESG engagement were up (+40%) compared to the previous period, confirming Eurizon's strong commitment to sustainability issues and the effectiveness of the active ownership engagement instrument. Engagement activities were conducted on 644 companies in 2021; these include 240 (around 37%) which were engaged on ESG issues. In particular, in 2021 Eurizon conducted 287 engagement activities on ESG issues, which represent 30% of the total engagement activities for the entire year (+44% compared to 2020).

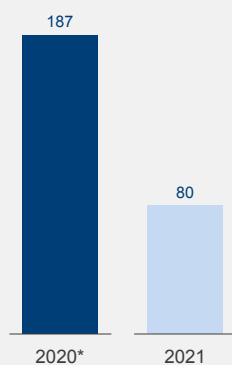
* Classified according to arts. 8 and 9 of the Sustainable Finance Disclosure Regulation (SFDR).

COMMUNITY SUPPORT



Monetary contribution to the community

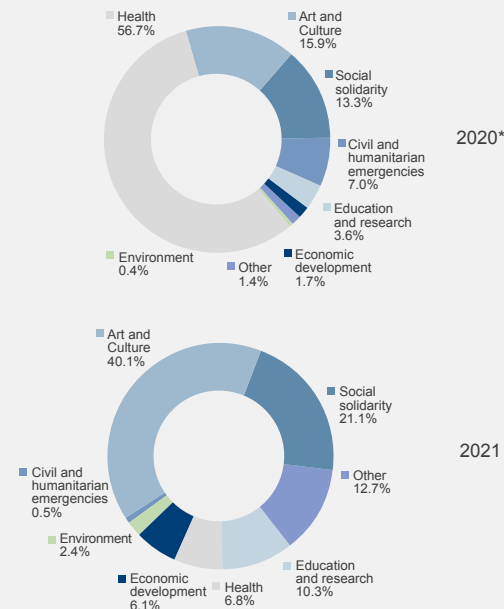
€ m



The trend of monetary contribution to the community is significantly influenced by the fact that in 2020 the Group provided immediate support to the health care system to deal with the COVID-19 emergency: among others, the disbursement of over 100 million euro to strengthen the National Health Service through the Department of Civil Protection.

Monetary contribution to the community by area of activity

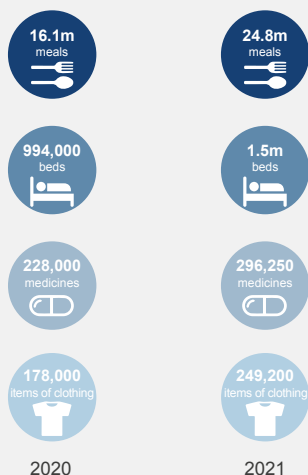
%



Compared to 2020, when the focus was primarily on health and civil and humanitarian emergencies, in 2021 the areas that benefited from the largest number of initiatives were art and culture, social solidarity and education and research. In a post-pandemic context, the Group thus resumed its work to boost also other areas that generate a significant social impact for the community and the territories in which it operates.

Food and Shelter for people in need

no. - cumulative value since the beginning of 2018



The project is part of the initiatives to reduce child poverty and support people in difficulty: the important results highlighted above were achieved in advance of the objective set in the 2018-2021 Business Plan.

Culture project at the Gallerie d'Italia

no.



The Gallerie d'Italia, recognised internationally as centres of excellence within the range of Italy's cultural heritage, host the Bank's collections, temporary exhibitions in partnership with the leading national and international museums, and hold free activities targeted at students and vulnerable groups. The initiatives dedicated to social inclusion include, above all, Museo per tutti (Museum for everyone), a programme of inclusive activities accessible to all: among these, the educational and exhibition project "Argilla. Storie di vasi" (Clay. Stories behind vases) displayed at Galleria d'Italia Vicenza, in partnership with the University of Padua, equipped with audio and tactile media and sign-language videos so as to be widely inclusive. In 2021, 166 works of art from owned collections were put on display in 44 temporary exhibitions in national and international museums.

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 3 months of 2020).

COMMUNITY SUPPORT



ISP Giovani e Lavoro Program

no.

~9,000 young people aged 18-29 submitted applications in 2021 (over 24,000 since 2019)

over 1,600 students interviewed and ~750 students trained/undergoing training through 29 courses in 2021 (more than 5,200 students interviewed and more than 2,200 students trained/in training since 2019)

over 2,000 companies involved since the beginning of the Program

The "Giovani e Lavoro" (Youth and Work) Programme, in partnership with Generation, is geared towards the training and placement of 5,000 young people in the Italian employment market over a multi-year period.

Generation4Universities project

no.

70 talented students supported in their last year of university to embark on a successful professional career

31 universities involved

18 Italian corporations of primary importance involved as potential employers

Intesa Sanpaolo is the main sponsor of the Generation4Universities project, aimed at helping talented students in their last year of university - who are struggling to express their potential due to external factors - to embark on successful professional careers.

P-Tech initiative

no.

3 webinar delivered by Intesa Sanpaolo and one online three-day finance workshop

20 ISP mentors carried out mentoring activities

40 young professionals involved in mentoring activities

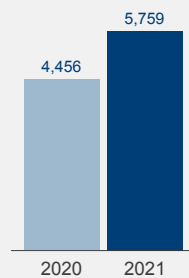
Among the collaborations with Italian universities is the P-Tech Initiative, in partnership with IBM, which aims to train young professionals in the area of new digital skills.

EMPLOYMENT PROTECTION



People reassigned to high value-added activities

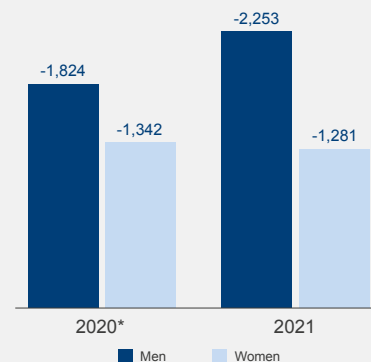
no. - cumulative value since 2018



As evidence of the strong focus on employment protection and thanks to the actions carried out in recent years, in 2021 the Group successfully reached and exceeded the objective set out in the Business Plan aimed at the reallocation, over the 2018-2021 four-year period, of ~5,000 resources to priority initiatives.

Turnover by gender

no.



The Group workforce turnover rate (-3.5%) recorded a trend in line with the structural measures planned. In 2021, around 4,000 people were hired (almost 60% were women), 500 of whom with specialised profiles (over 1,700 since 2018, compared to the target set by the 2018-2021 Business Plan of at least 1,650 new hires to support core business growth).

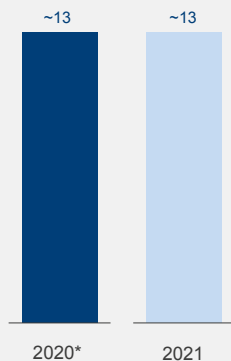
* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF THE GROUP'S PEOPLE



Training

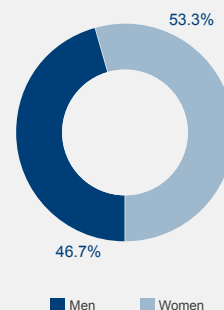
m hours provided



The remote training experience gained due to the pandemic was capitalised in 2021: the Group continued to use remote channels for live and digital training, enabling all employees in Italy to participate in digital learning activities; in this regard, the opinions collected among the Group's people were very positive, equal to 87% for digital training and 97% for live training. The total number of hours provided in 2021 remains at very high levels and essentially in line with 2020. This allowed the Group to achieve the objective set by the Business Plan for the year 2021 and for the entire time horizon of the Plan: thus, approximately 46 million hours were provided, confirming the Bank's strong emphasis on its resources and their learning and training processes.

Breakdown of Group's people by gender

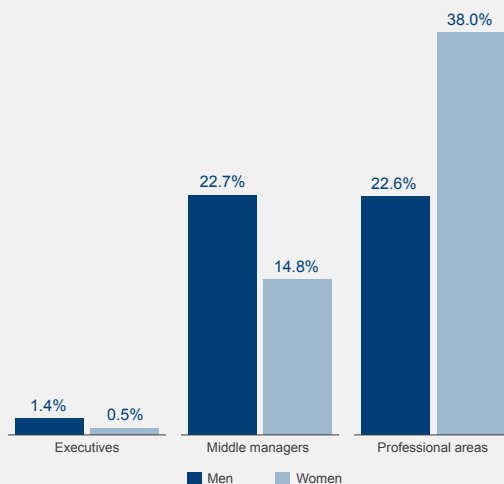
%



The company population is balanced in terms of male and female presence; in particular, a slight prevalence of women compared to men in the Group is highlighted.

Employees by category and gender

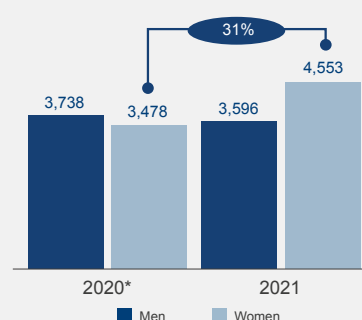
%



A constant trend in the breakdown by category and gender with respect to the total population is also confirmed in 2021. There are over 14,000 female managers (executives and middle managers) in the Group, representing 28.7% of all female employees. Women managers account for 38.8% of all managerial staff (37.7% in 2020).

Number of promotions by gender

no.



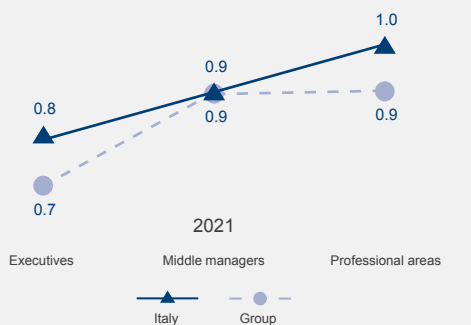
The number of promotions at Group level is up compared to 2020. The increase concerns women in particular, who accounted for almost 56% of total promotions in 2021 (48.2% in 2020). The number of promoted Group's people is overall equal to 8.4% of the effective workforce, up from ~7% in 2020.

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF THE GROUP'S PEOPLE



Women/men remuneration ratio



The figures relating to the female/male remuneration ratio in 2021 at Group level do not show significant changes compared to 2020. Gender equality is confirmed for the Professional Areas in Italy.

Remuneration link with ESG criteria

no. managers involved



2,100 managers who are assigned the ESG KPI in the incentive system



15% is the weight of the ESG KPI in managers' performance scorecard

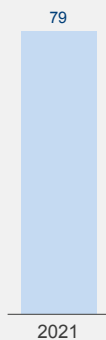
In the Incentive System, the ESG dimension was strengthened through the introduction of a specific and structured KPI assigned to the CEO and to approximately 2,100 Group managers (in Italy and abroad), in line with Intesa Sanpaolo's ever-increasing commitment to sustainability and with the aim of creating long-term value for the Bank and its Stakeholders.

HEALTH, SAFETY AND WELL-BEING OF THE GROUP'S PEOPLE



Group's people satisfaction index

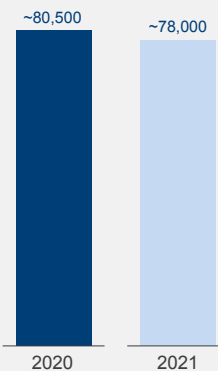
%



Intesa Sanpaolo's climate analysis was carried out in July 2021 and was the first since the onset of COVID-19 and the integration of UBI Banca. The Group's people confirm their satisfaction with their relationship with colleagues and, compared to the previous survey, the ratings on their relationship with bosses, salary, bonuses and prestige increased. They also have the perception of an increasingly secure workplace that is a source of pride. They share the company's vision and culture, are proud to work in the Group and confirm their appreciation for their direct bosses and the top management. The 2021 results are at higher levels than the previous survey conducted in 2019 (77%).

Smart working

no. participants



~81% of the Group's people eligible for flexible work in 2021 vs ~77% in 2020

In 2021, the number of Group's people eligible for flexible working remained at very high levels, confirming Intesa Sanpaolo's strong drive to digitise operations. Thus, in order to guarantee safe working conditions for the Group's people, support for remote working continued to be provided, including digital coaches to assist people working remotely and share best practices.

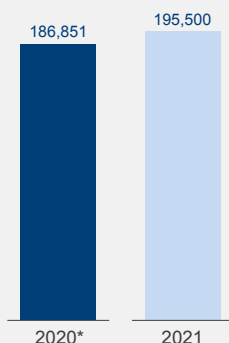
* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

HEALTH, SAFETY AND WELL-BEING OF THE GROUP'S PEOPLE



Training on health and safety

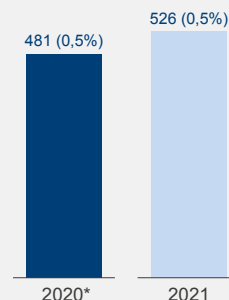
no. hours provided



Attention continued to be paid to training on health and safety, which recorded an increase in hours by ~5% in 2021, with a view to continuously strengthening supervision of the Group employees' health and safety.

Health and safety

Injuries: no. and % on the number of employees



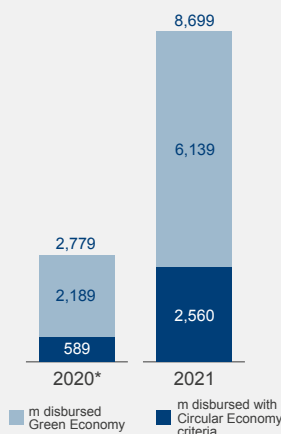
Accidents in 2021 are essentially in line with 2020, down sharply compared to previous years due to the effects brought on by the COVID-19 pandemic. Therefore, since the end of February 2020, remote working has been used extensively, drastically reducing employees' physical presence in the offices and commuting.

TRANSITION TO A SUSTAINABLE, GREEN AND CIRCULAR ECONOMY



Loans and services for a sustainable, green and circular economy

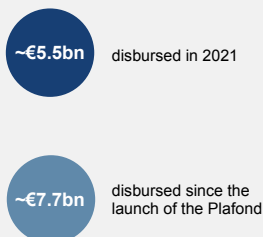
€ m



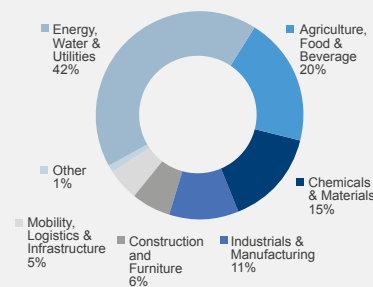
The figure relating to the disbursements of green and circular loans (~8.7 billion euro disbursed, equal to 11.2% of total loans) is growing sharply both in Italy and abroad and in all customer segments. The products and initiatives that contributed to the excellent performance include the Green - Mutuo Domus (disbursements for over 2.2 billion euro), the Circular economy credit plafond and project finance.

Circular Economy

Circular Economy Plafond: loans disbursed € bn



Circular Economy Plafond Projects**: % amounts disbursed by sector in 2021



Since its launch, a total of 7.7 billion euro has been disbursed (including 1.2 billion euro for Green - Mutuo Domus mortgage loans to private customers). Since 2020 the plafond has been extended to support companies investing in green projects in the field of renewable energy production, energy efficiency and sustainable farming and biodiversity and, until the first quarter of 2021, to support the Green - Mortgage Domus mortgage loans requested by customers for the purchase of new energy-efficient homes (class B and above) or the redevelopment of homes with consequent improvements in the energy efficiency class.

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Green Mortgages excluded.

TRANSITION TO A SUSTAINABLE, GREEN AND CIRCULAR ECONOMY



ESG-Linked loans for SMEs: S-Loan

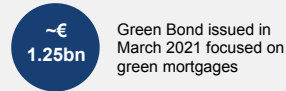
€ bn



With a view to developing solutions for the ESG transition of businesses, the Group has developed the S-Loan initiative in Italy, allocating a dedicated credit line equal to 2 billion euro. This loan allows the Bank to support SMEs by identifying specific ESG KPIs, agreeing sustainability improvement objectives with the borrower firms. The product range was expanded in April 2021 with S-Loan Diversity, in July 2021 with S-Loan Climate Change, and in November with S-Loan Agribusiness and S-Loan Turismo. All S-Loans have special interest rates, subject to the annual monitoring of 2 ESG KPI, to be reported in the borrower's financial statements. The new S-Loan Climate Change product, launched to mitigate the impact of climate change, can enjoy an 80% green SACE guarantee.

Green bond on green mortgages

€ bn



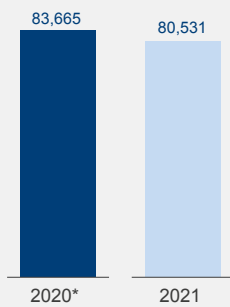
In March 2021, Intesa Sanpaolo issued a 1.25 billion euro Green Bond, focused on Green - Mutuo Domus mortgage loans for the construction or purchase of properties with energy efficiency class A or B and for redevelopment work on properties that leads to an improvement of at least two energy classes; the order book exceeded 3.5 billion euro. With this last issue, Intesa Sanpaolo's Green Bonds stood at 3 billion euro, with a Green Bond ratio of ~8%.

CLIMATE CHANGE



Greenhouse gas emissions

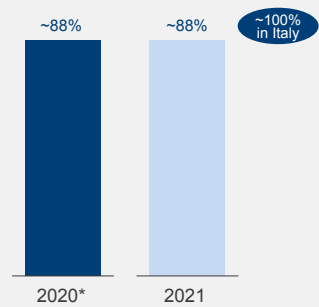
Total Tons of CO₂ (Scope1 + 2 Market-based)**



All in all, Scope1 + Scope2 Market-based greenhouse gas emissions fell by 4%. this result was achieved through continuous improvement in terms of energy efficiency and, in part, also through the commercial reorganisation that took place during the year (sale of former UBI Group branches and closures due to mergers). Thus, 2021 confirmed the downtrend in electricity consumption, settling at -9% compared to the previous year. A 33% reduction was achieved against a target of 37% reduction in absolute emissions linked to energy consumption (direct and indirect) (target to be achieved in 2022 with respect to 2012 emissions).

Energy from renewable sources

% of renewable electricity purchased***



The purchase and production of energy from renewable sources, despite the limitations imposed by the national legislation of some states, continues to be one of the main environmental sustainability aspects on which the Intesa Sanpaolo Group intends to pursue its commitment. The target, revised in 2020, of purchasing electricity from renewable sources equal to 89% by the end of 2022 has almost been met (~88% of renewable electricity purchased out of total purchases in 2021).

* The 2020 figures were redetermined to include the UBI Banca Group for the entire year.

** Market-based: the Scope2 data for purchased electricity considers the contribution, agreed contractually, of the guaranteed renewable source certificates, which therefore have zero emissions.

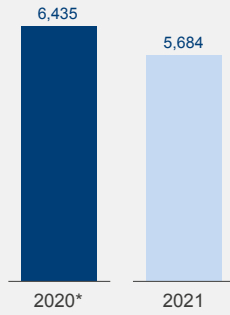
*** Calculated on the total amount of electricity purchased.

CLIMATE CHANGE



Paper

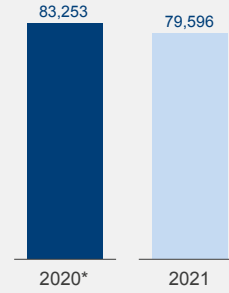
Paper purchased (ton)



The significant change in working methods and habits, combined with people's awareness around reducing paper consumption and the paperless policies implemented by the Group have led to a continuous decrease in paper consumption both in percentage terms (-12% vs 2020) and at per capita level (-4% vs 2020). The Group continues to be committed to purchasing paper with a reduced environmental impact (recycled and environmentally-friendly) in a percentage equal to 80%.

Transport

Thousands of km



2021 continued to observe a significant decrease in corporate mobility related transport, mainly attributable to the travel restrictions imposed by the COVID-19 emergency. Furthermore, in order to limit the risk of contagion, employees made greater use of company fleet vehicles compared to other means of transport (e.g. train).

* The 2020 figures were redetermined to include the UBI Banca Group for the entire year.

Main actions taken to face the COVID-19 emergency*

Immediate healthcare support



- €100m to strengthen the National Health System through the Civil Protection Department throughout Italy, and in particular in the most affected areas of Bergamo and Brescia. 16 hospitals and 3 COVID-19 Emergency Centres 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 from the CEO (€1m) and top management's 2019 variable compensation, to strengthen healthcare initiatives, with additional voluntary donations from ISP People and Board of Directors
- €3.5m donated through ForFunding – the ISP crowdfunding platform – to support Civil Protection Department initiatives related to the COVID-19 emergency
- €1.25m allocated from the ISP Charity Allowance to boost COVID-19 scientific research
- €350k donated to Associazione Nazionale Alpini to accelerate the construction of a field hospital in Bergamo
- €200k donated to the NGO WellGiving in Slovakia, to support hospitals during the COVID-19 emergency

Continuous support to the real economy and to society



- €115bn⁽¹⁾ suspension of existing mortgage and loan instalments for families and companies (1st in Italy to launch the initiative before the regulation came into force)
- €50bn in loans made available to support companies and professionals to protect jobs and manage payments during the emergency
- €32bn⁽²⁾ in loans backed by government guarantees
- €10bn in new credit facilities to boost ~2,500 Italian industrial supplier value chains through the enhancement of the Sviluppo Filiera Program
- €11bn⁽²⁾ 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 the re-shaping of their business models for the post COVID-19 scenario, leveraging on growth and innovation projects boosting economic growth and social and territorial cohesion. Launched in Bergamo (€30m, in collaboration with the Municipality of Bergamo) and Florence (€50m, in collaboration with Fondazione CR Firenze).
- €150m (equal to 50%) of the ISP Fund for Impact will be used to reduce the socioeconomic distress caused by COVID-19
- In the context of the Fund for Impact, XME StudioStation launched in August 2020: loans to families to support distance learning (~€0.5m granted in 2021; ~€1.7m granted since the launch)
- Ecobonus: support to families, condominiums and businesses through modular and flexible financial solutions benefitting from the provisions of the “Rilancio” Decree which raise the deduction to 110% for expenses related to energy efficiency and measures to reduce seismic risk

Always close to its people



- Remote working extended to ~78,000 people with “digital coaches” 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 enable the participation to the variable performance bonus regardless of any periods of prolonged absence from service in relation to the emergency situation
- Digital learning enabled for all people of Intesa Sanpaolo
- 6 additional days of paid leave recognised in 2020 for ISP people who worked in the branch network or were unable to work remotely
- “Ascolto e Supporto” project offering mental wellness support to all ISP people
- Free insurance policy offered to all employees in Italy for adverse reactions to vaccination

Steady attention to its customer



- ~100% of branches open and fully operational; advisory services 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 Intesa Sanpaolo health insurance policy coverage to include COVID-19

* The data are intended to be cumulative from the beginning of the emergency.

(1) Moratoria granted up to 31.12.21 (flows), including renewals, considering UBI Banca and the sale of branches carried out in the first half of the year.

(2) As at 31.12.21, including UBI Banca and considering the sale of branches carried out in the first half of the year.

For more in-depth insights as regards the main actions taken to deal with the COVID-19 emergency, reference is made to the individual chapters. Furthermore, for more in-depth insights as regards the main impacts of COVID-19 on financial performance, one should refer to the Group's Consolidated Financial Statement for the years 2020 and 2021.

Sustainability indices, rankings and awards

Intesa Sanpaolo is included in the main sustainability indices and rankings defined by specialist ratings agencies that select companies not only for their financial performance but also for their results in the three ESG areas (Environmental, Social, Governance), or in specific fields such as diversity.

Below is a summary of the main indices and rankings in which Intesa Sanpaolo is included:

Dow Jones Sustainability Indices e S&P ESG Indices [\[i\]](#)

Included in the DJSI World and DJSI Europe, based on an annual assessment carried out by SAM with a best-in-class criterion among companies with largest market capitalisation.

DJSI World includes around 300 companies among the 2,500 largest businesses in the world included in the S&P Global BMI. DJSI Europe includes around 150 companies among the 600 largest European businesses included in the S&P Global BMI.

Intesa Sanpaolo is also included in some indices of the S&P ESG Index Family.

In February 2022, Intesa Sanpaolo received the S&P Global Sustainability Award – Bronze Class.



FTSE4Good Index Series [\[i\]](#)

Intesa Sanpaolo is included in 2 indices of the FTSE4Good Index Series, based on the ESG rating, assigned by FTSE Russell which exclusively uses public information of over 7,200 companies in 47 different financial markets.

MSCI ESG Indexes [\[i\]](#)

Based on the analysis of the environmental, social and governance sustainability aspects of 8,500 companies, they are divided in order to represent the main ESG strategies. Intesa Sanpaolo, thanks to the AAA rating assigned solely to 3% of companies in the banking sector under review, is included in several families of indices including MSCI ESG Leaders, MSCI Climate Change and MSCI Low Carbon.



CDP [\[i\]](#)

CDP conducts an annual assessment to evaluate the approach to climate change mitigation (over 13,000 companies participating in 2021). Companies are assessed on 4 levels (communication, awareness, management, leadership) which represent the phases that a company goes through as it progresses towards environmental protection, on a decreasing scale from A to D-.

In 2021 Intesa Sanpaolo was included in the Leadership band, obtaining an A- rating.



Corporate Knights - 2022 Global 100 Most Sustainable Corporations in the World Index [\[i\]](#)

The index includes the 100 most sustainable companies in the world, assessed on the basis of public information, in relation to 23 indicators, within a universe of around 7,000 listed companies.



Euronext Vigeo Eiris Indices [\[i\]](#)

Intesa Sanpaolo is included in the Euronext Vigeo Europe 120 and the Euronext Vigeo Eurozone 120. The 120 companies included in both indices are selected on the basis of the assessment conducted by the rating company ESG Vigeo Eiris on approximately 5,000 issuers.



MIB ESG Index [\[i\]](#)

On the basis of the assessment conducted by Vigeo Eiris, Intesa Sanpaolo is included in the new MIB ESG index, the first blue-chip index for Italy dedicated to ESG best practices, launched in October 2021 by Euronext - Borsa Italiana.

The index includes the top 40 companies based on ESG criteria, selected from among the 60 most liquid Italian companies.

Solactive ESG Indices [\[i\]](#)

Intesa Sanpaolo is included in the Solactive ESG indices, including Global and Europe Corporate Social Responsibility Indices - which use the criteria of the independent association Forum Ethibel - and in other ESG indices, such as Solactive ISS ESG Prime Index Series, which refer to ISS ratings.

**STOXX® Sustainability Indices** [\[i\]](#)

Intesa Sanpaolo is included in several families of STOXX® sustainability indices, including Low Carbon and Climate Indices. The STOXX® Global ESG Leaders Index selects companies using best-in-class criteria, based on the sustainability rating assigned by Sustainalytics. The index includes around 400 leading companies worldwide.

**Standard Ethics Indices** [\[i\]](#)

These indices analyse companies in terms of sustainability, governance and Corporate Social Responsibility. Intesa Sanpaolo is included in the Standard Ethics Italian Index, Standard Ethics Italian Banks Index, Standard Ethics European Banks Index and Standard Ethics European 100 Index.

**ECPI Indices** [\[i\]](#)

A family of over 50 indices based on the analysis of the public information of over 4,000 companies. Intesa Sanpaolo is included in the ECPI World ESG Equity and ECPI Euro ESG Equity, to name a few.

**2022 Bloomberg Gender-Equality Index - GEI** [\[i\]](#)

Thematic index dedicated to gender equality: it includes 418 companies analysed in terms of five areas of investigation. The initial target universe for the analysis includes over 11,700 listed companies.

**Refinitiv - 2021 Top 100 Diversity and Inclusion Index** [\[i\]](#)

Starting from over 11,500 companies, the thematic index globally selects the top 100 companies at the forefront of inclusion and diversity practices in the workplace.



Intesa Sanpaolo has also received some awards in the field of sustainability, in particular:

Institutional Investor - 2021 Ranking [\[i\]](#)

Intesa Sanpaolo retains its position as the best European bank and the best Italian company in terms of relations with financial analysts and institutional investors and in relation to ESG aspects.

The Banker – Bank of the Year in Western Europe e Bank of the Year in Italy [\[i\]](#)

Intesa Sanpaolo is the first Italian bank to be recognised as the best bank in Western Europe. Special importance was attached to the role played by the Intesa Sanpaolo Group in supporting the country's economy and to the numerous social impact initiatives taken during the COVID-19 pandemic, in addition to the bank's leading role in the development of Italy's green economy. Intesa Sanpaolo also obtained recognition in Croatia and Serbia with the Bank of the Year awards in Croatia for PBZ and Bank of the Year in Serbia for Banca Intesa Beograd.

Euromoney – Awards for Excellence 2021 [\[i\]](#)

The Bank retained its position as Best Bank in Italy, a prestigious recognition also obtained last year. The main reasons that led the Bank to achieve this accolade include the support provided to the real economy during the pandemic and for the post-pandemic recovery, its leadership as an impact Bank, the social and environmental sustainability measures, as well as the technology services provided to customers.

FERPI (Federazione Relazioni Pubbliche Italiana) - Oscar di Bilancio [i]

Intesa Sanpaolo received the **Oscar di Bilancio – Special Non-Financial Statement Award** thanks to the comprehensive and transparent reporting, through its 2020 Consolidated Non-Financial Statement, of the commitments and results achieved in the ESG sector in keeping with the objectives and values declared at a strategic level, meeting the expectations of its Stakeholders involved in a systematic listening and dialogue process.

Fideuram-Intesa Sanpaolo Private Banking – **Oscar di Bilancio** in the **Financial Companies** category.

The award is bestowed upon the most virtuous companies in terms of reporting and managing relations with stakeholders.



ABI - Premio Innovazione per i Servizi Bancari (Innovation Award for Banking Services) [i]

- **Corporate Customer Category** for having implemented a new “multi-channel”, “paperless” Bank-Company relationship model, for the subscription of products and services remotely by introducing a new “corporate digital identity” concept;

- **Covid Emergency Category** for the award-winning project “Collaboration between Intesa Sanpaolo Innovation Center and Ospedale Sacco in Milan” dedicated to coronavirus research.



AIFIn - Financial Innovation – Italian Awards [i]

Intesa Sanpaolo ranked in first and third place in the **CSR and Sustainability** category, respectively with the FORMULA Programme and with the ISP4ESG Programme: Intesa Sanpaolo for ESG.

It also ranked in third place in the special Award **Istituzione Finanziaria innovativa (Innovative Financial Institution) for the year 2021**.



AIPSA - Cyber Resilience amid a Global Pandemic [i]

Intesa Sanpaolo ranked first, for the second consecutive year, among the leading Italian companies in the “Cyber Resilience amid a Global Pandemic” competition organised by AIPSA (Associazione Italiana Professionisti Security Aziendale), in collaboration with Spike Reply.



Brandon Hall Group – 2021 Technology Excellence Awards [i]

Intesa Sanpaolo was awarded the silver medal in the 3 categories:

Best Advance in Corporate Well-being Technology, for its technology at the service of people’s well-being within the company and for the benefits generated by CareLab and Vetrina dei Servizi and Consultation and Support; **Best Advance in Time and Labor Management Technology**, thanks to the #People Planning and Booking tool; **Best Advance in Mobile Learning Technology**, for the training app dedicated to some professional areas within the Banca dei Territori Division.



Lundquist - Webranking by Comprend 2021 [i]

The Bank features in the **Webranking 2021 Italia** and **Europe Webranking 2021** which assess the quality of communications and transparency on the digital channels of the leading Italian and European listed companies.

Special mention as **Best Performer in the Sustainability area**, thanks to the representation of a sustainability strategy that integrates quantitative aspects with specific objectives and with the narration of tangible initiatives and the availability of data in interactive mode. The storytelling behind the stakeholder engagement approach was also positively received.



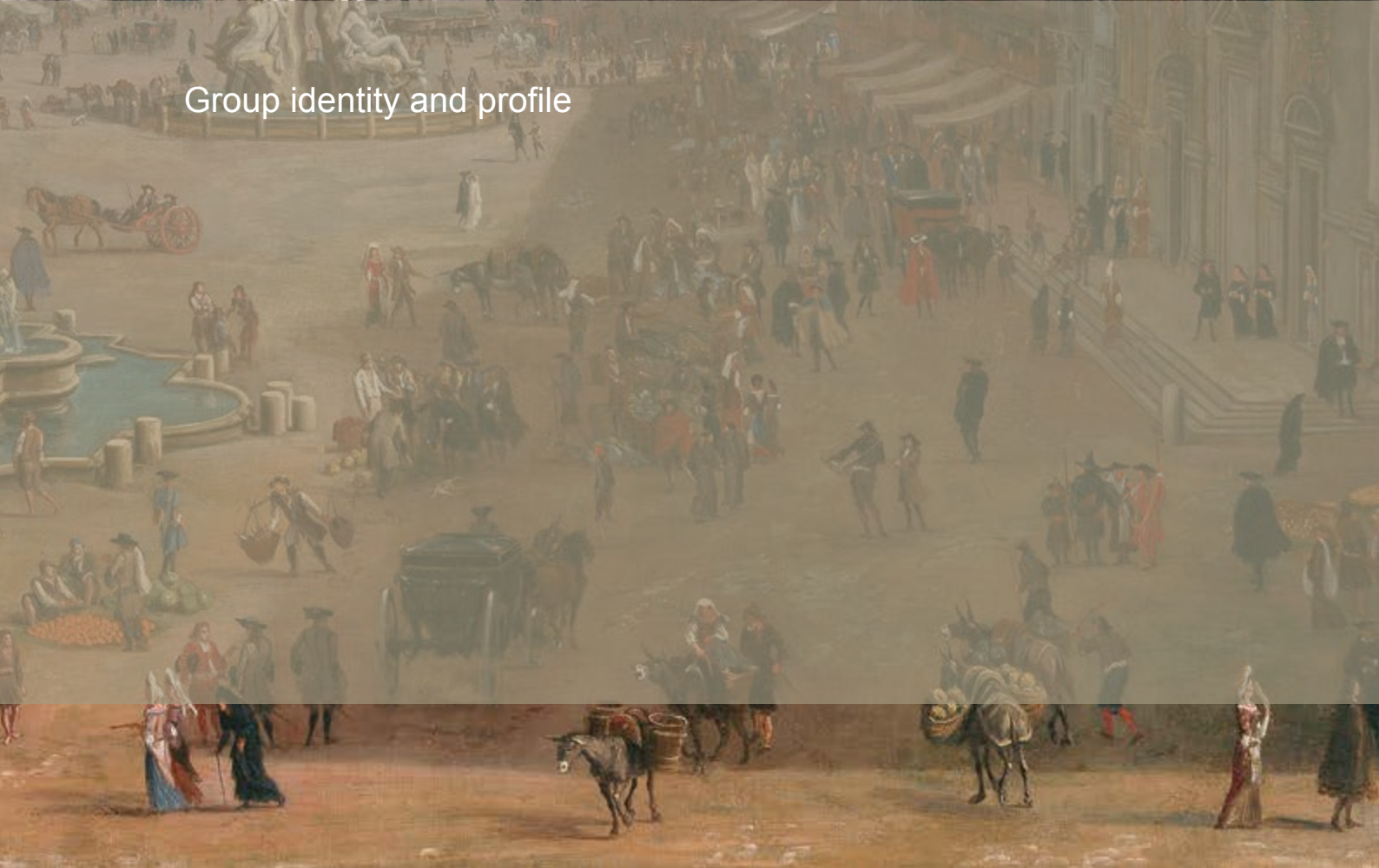
Green Building Council - (Existing Buildings Operations & Maintenance – EB O&M) [i]

In 2021 the Turin Skyscraper obtained confirmation of the 2019 LEED (Leadership in Energy and Environmental Design) certification from the Green Building Council in the sustainable management category. In 2015 the New Headquarters had already received the LEED Platinum certification for the construction of the building, thanks to the design features and the technological solutions adopted.





Group identity and profile



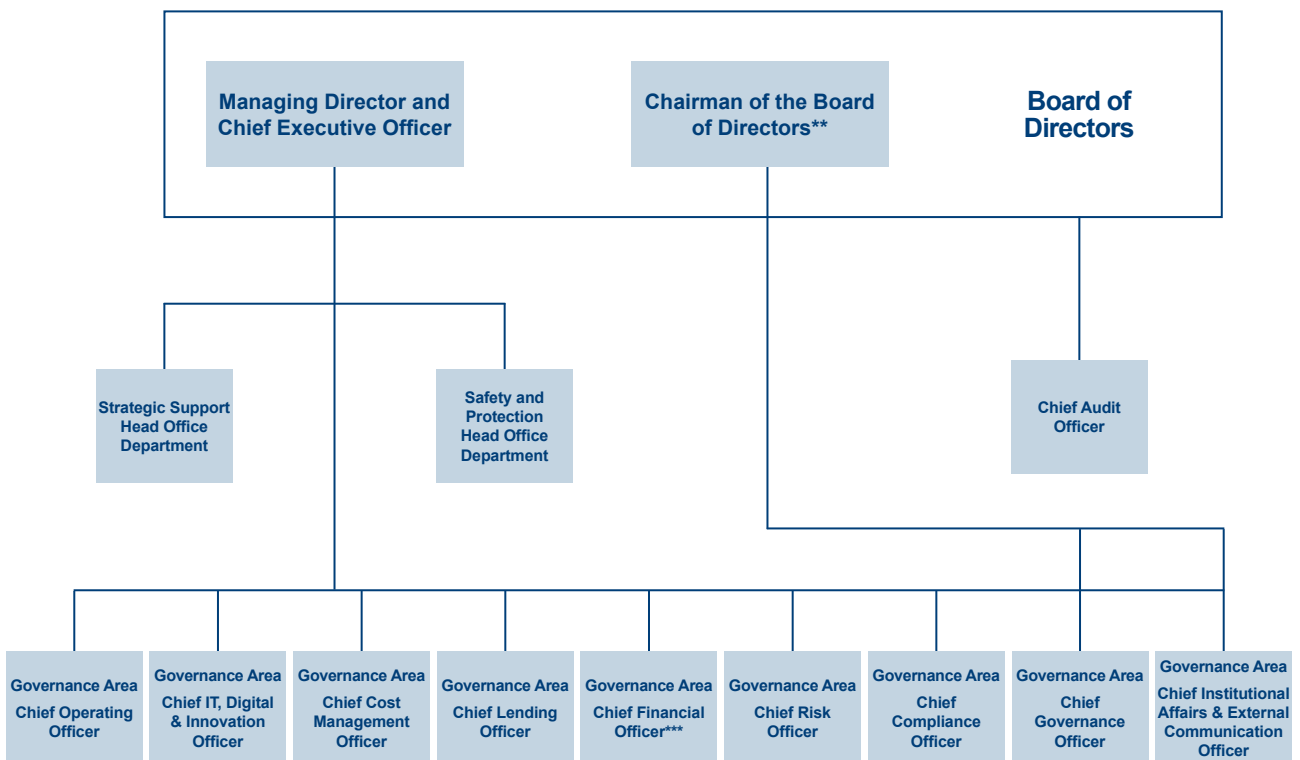
Group Presentation

The Intesa Sanpaolo Group, with a capitalisation of 50.9 billion euro*, is one of the leading banking groups in Europe and the driver of sustainable and inclusive growth, with a firm ESG commitment and a strong focus on climate.

The Intesa Sanpaolo Group is the largest banking group in Italy, with 13.5 million customers and over 3,700 branches and is the leader in financial operations for households and businesses in Italy, in particular in banking intermediation (with a 20% share of loans and 22% of deposits), asset management and pension funds (24%) and factoring (27%).

Intesa Sanpaolo has a strategic international presence, with roughly 1,000 branches and 7.1 million customers, including subsidiary banks operating in commercial banking in 12 countries in Central/Eastern Europe and in the Middle East and North Africa. It also has an international network specialising in providing support to corporate customers in 25 countries, particularly the Middle East and North Africa, and in countries where Italian businesses are especially active, such as the United States, Brazil, Russia, China and India.

The Group is organised into Governance Areas and Head Office Departments reporting directly to the Managing Director and CEO, and six divisions - also reporting to the Managing Director and CEO - focusing on customers.



* As at 31 January 2022.

** The Chairman's Technical Secretariat reports to the Chairman of the Board of Directors.

*** The Manager Responsible for preparing the Company's financial reports is part of the Chief Financial Officer area.

The six divisions into which the Group's activities are organised are as follows:

Banca dei Territori	Focused on the market and the central role of the territory in strengthening relationships with individuals, small and medium enterprises, and non-profit entities. The division includes industrial credit, leasing and factoring activities as well as instant banking activities via the partnership between subsidiary Banca 5 and SisalPay (Mooney).
IMI Corporate & Investment Banking	Global medium/long-term partner of businesses, financial institutions and public authorities, on a national and international basis. Includes capital market & investment banking operations and is present in 25 countries, supporting the cross-border activities of its customers through a specialised network of branches, representative offices and subsidiaries that carry out corporate banking activities.
International Subsidiary Banks	Includes subsidiary banks performing commercial banking activities in the following countries: Albania (Intesa Sanpaolo Bank Albania), Bosnia-Herzegovina (Intesa Sanpaolo Banka Bosna i Hercegovina), Croatia (Privredna Banka Zagreb), Egypt (Bank of Alexandria), Moldova (Eximbank), Czech Republic (the Prague branch of VÚB Banka), Romania (Intesa Sanpaolo Bank Romania), Serbia (Banca Intesa Beograd), Slovakia (VÚB Banka), Slovenia (Intesa Sanpaolo Bank), Ukraine (Pravex Bank) and Hungary (CIB Bank).
Private Banking	Serves customers in the Private and High Net Worth Individuals segment by offering targeted products and services. The division includes Fideuram – Intesa Sanpaolo Private Banking, with 6,594 private bankers.
Asset Management	Asset management solutions aimed at the Group's customers, non-Group distribution networks and institutional customers. The division includes Eurizon, with assets managed totalling 434 billion euro.
Insurance	Insurance and pension products targeted at Group customers. The division, which has direct deposits and technical reserves totalling 204 billion euro, includes Intesa Sanpaolo Vita – which controls Intesa Sanpaolo Assicura, Intesa Sanpaolo Life, Intesa Sanpaolo RBM Salute, Cargeas Assicurazioni and Intesa Sanpaolo Insurance Agency – and Fideuram Vita.

A detailed presentation of Intesa Sanpaolo's organisational structure is available on the Group's website [1].

International presence⁽¹⁾

■ Italy	3,740 Branches
■ Other european countries	793 Branches 2 Representative Offices
■ America	2 Branches 1 Representative Office
■ Asia	8 Branches 6 Representative Offices
■ Africa	175 Branches 1 Representative Office
■ Australia/Oceania	1 Branch



Competitive positioning

Ranking in Italy – Market shares⁽¹⁾

1°	Loans	20.4%
1°	Deposits ⁽²⁾	22.4%
1°	Asset Management ⁽⁴⁾	23.9%
1°	Pension Funds ⁽³⁾	24.3%
1°	Factoring ⁽⁴⁾	26.6%

(1) Figures as at 31 December 2021.

(2) Include bonds.

(3) Mutual funds; data as at 30.9.21.

(4) Data as at 30.9.21.

Mission and values

The Group has adopted a new mission, approved by the Board of Directors in January 2022:

“We, people of Intesa Sanpaolo:

Believe in the integrity and sustainability of our actions and those of our Bank.

Care for our customers through the excellence of our products, our services and our behaviour.

Create value and innovation for people, businesses, and communities in all countries and areas where we operate.

Build a future fostering sustainable development in favour of the environment, the younger generations and a truly inclusive society.”

The Intesa Sanpaolo Group growth strategy aims at creating solid and sustainable value from an economic and financial, social and environmental point of view, built on the trust of all our stakeholders and based on the values outlined in the Code of Ethics.

Integrity

We pursue our goals with honesty, fairness and responsibility in the full and true respect of the rules and professional ethics and in the spirit of signed agreements.

Excellence

We set ourselves the goal of continuous improvement, farsightedness, anticipating challenges, cultivating extensive creativity aimed at innovation; moreover we recognise and reward merits.

Transparency

We are committed to making transparency the basis of our actions, advertising and contracts in order to allow all our stakeholders to make independent and informed decisions.

Respect for specific qualities

It is our intention to combine large-scale operations with profound local roots and to be a bank with a broad vision, without losing sight of individuals.

Equality

We are committed to eliminating all forms of discrimination from our conduct and to respecting differences in gender, age, ethnic origin, religion, political and union persuasions, sexual orientation and identity, language or disability.

Values of the individuals

The value of each single person is a guide for our *modus operandi*: we use listening and dialogue as tools for continuously improving our relationships with all our stakeholders.

Responsibility in the use of resources

We aim to use all our resources attentively, promote behaviour based on the best use of resources and the avoidance of waste and ostentation, and we give priority to choices that take sustainability into account.

The Group is committed to complying with sustainable development principles and has been involved in important international initiatives that promote dialogue between companies, international organisations and civil society, and that pursue respect for the environment and human rights.

Voluntary commitment to domestic and international initiatives, partnership and strategies for the United Nations Sustainable Development Goals

Global Compact [\[i\]](#)

A UN initiative that promotes corporate social responsibility through the adoption of ten fundamental principles relating to human rights, labour rights, the environment and combating corruption.



In support of

WOMEN'S EMPOWERMENT PRINCIPLES

Established by UN Women and the UN Global Compact Office

Women's Empowerment Principles [\[i\]](#)

Principles promoted by the UN that define guidelines for companies aimed at promoting gender equality and women's professional development in the workplace.

UNEP Finance Initiative [\[i\]](#)

The UN Environmental Programme that promotes dialogue among financial institutions on economic performance, environmental protection and sustainable development.



Net-Zero Banking Alliance (NZBA) [\[i\]](#)

An alliance of banks promoted by UNEP FI, with the goal of net-zero emissions by 2050, for lending and investment portfolios accounted for in the financial statements.

Net-Zero Asset Owner Alliance (NZAOA) [\[i\]](#)

An alliance of international institutional investors, committed to bringing their investment portfolios to net zero greenhouse gas emissions by 2050. Intesa Sanpaolo is a member through Intesa Sanpaolo Vita.

Net Zero Asset Managers Initiative (NZAMI) [\[i\]](#)

An initiative comprising international asset managers committed to supporting the goal of net-zero greenhouse gas emissions by 2050, encouraging investments in line with endeavours to limit global warming.

The Intesa Sanpaolo Group is a member through Eurizon Capital SGR, Fideuram Asset Management SGR and Fideuram Asset Management (Ireland).

Net-Zero Insurance Alliance (NZIA) [\[i\]](#)

An alliance of the world's leading insurers and reinsurers committed to bringing their underwriting portfolios to net-zero greenhouse gas emissions by 2050, in line with a maximum temperature increase of 1.5 °C from pre-industrial levels by 2100.

Intesa Sanpaolo is a member through Intesa Sanpaolo Vita.

UNEP Finance Initiative – Principles for Responsible Banking (PRB) [\[i\]](#)

UNEP FI Programme that intends to bring the banking sector closer to the UN Sustainable Development Goals and the 2015 Paris Agreement on Climate.



UNEP Finance Initiative – Principles for Sustainable Insurance (PSI) [\[i\]](#)

UNEP FI programme for the insurance industry, with the aim of addressing the risks and opportunities related to environmental, social and governance issues.

The Intesa Sanpaolo Group subscribes to the Principles as a signatory through Intesa Sanpaolo Vita.



Principles for Responsible Investment – PRI [\[i\]](#)

Principles on the integration of ESG criteria on investments, the result of the partnership between UNEP FI and the Global Compact. The Intesa Sanpaolo Group subscribes to the Principles as a signatory through Eurizon Capital SGR, Fideuram Asset Management SGR, Fideuram Asset Management (Ireland) and the Group's Pension Fund.

Signatory of:



Equator Principles [i]

Guidelines for social and environmental risk assessment and management in projects, based on criteria recommended by the International Finance Corporation, a World Bank organisation.



CDP [i]

Independent non-profit organisation which provides companies and countries with a global system of information on climate change. Joining CDP fosters the dissemination of information on greenhouse gas emissions and the management of risks and opportunities associated with climate change.

The Intesa Sanpaolo Group adheres to the CDP as a signatory through Eurizon Capital SGR.



Task Force on Climate-related Financial Disclosures – TCFD [i]

Established in December 2015 by the Financial Stability Board (FSB), the Task Force published eleven recommendations in June 2017 to promote transparent reporting of risks and opportunities linked to climate change by companies. Intesa Sanpaolo published its first TCFD Report at Group level for 2020-2021, to which reference is made for any further information [i].



European Clean Hydrogen Alliance [i]

Promoted by the European Commission, the Alliance aims to create the foundations for an ambitious deployment of technologies linked to the production of hydrogen from renewable or low carbon emission sources by 2030.



Global Reporting Initiative [i]

Organisation which develops GRI Standards for sustainability reporting, recognised at a global level. Intesa Sanpaolo is a member of the GRI Community.



B4SI [i]

An internationally recognised reporting standard on investments in the community by businesses.



Forum for Sustainable Finance [i]

Multi-stakeholder association with the objective of spreading the culture and supporting the development of sustainable finance. It is the Italian representative of the EuroSIF (European Sustainable Investment Forum). Eurizon has also been an ordinary member of the Forum since November 2021.



Institutional Investors Group on Climate Change (IIGCC) [i]

European association of institutional investors on climate change, to help define public policies, investment practices and corporate conduct in order to address the long-term risks and opportunities associated with climate change. The Group has been a member through Eurizon Capital SGR since 2021.



Further information is available in the TCFD report [i].

PARTNERSHIPS

Ellen MacArthur Foundation [i]

The foundation is one of the main international promoters of the systemic transition towards the Circular Economy. Intesa Sanpaolo is the Strategic Partner of the Foundation, with which it has renewed the collaboration agreement for the three-year period 2022-2024.



Intesa Sanpaolo participates in the Global Compact initiative and is an active member of the community of businesses that support the UN's Sustainable Development Goals.

SUSTAINABLE DEVELOPMENT GOALS (SDGS – SUSTAINABLE DEVELOPMENT GOALS)





The Sustainable Development Goals were set by the United Nations 2030 Agenda and adopted by all 193 member states of the UN, including Italy, at the end of 2015. The 17 Global Goals and their 169 targets build on the Millennium Development Goals launched in 2005.

Many of the objectives set in the 2018-2021 Business Plan are strictly connected with certain Sustainable Development Goals. This link is also evidenced by the materiality analysis, which makes it possible to highlight the importance of certain issues both in terms of impact on the Group's strategies and on its Stakeholders. Therefore, the table below shows, alongside the various Sustainable Development Goals, in addition to the actions, projects and results of greatest significance in terms of their positive effects on the community, also the link with the 2018-2021 Business Plan and the material issues. This approach is proof of the Group's contribution to generating positive change at global level through a commitment which, considering the loans granted by the Group to support families, businesses and investments, extends to all SDGs and is focused on 13 objectives in particular.

Contribution to SDGs	1 NO POVERTY	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
Group value and solidity						■							
Integrity in corporate conduct												■	
Quality of service and customer satisfaction		■											
Innovation, digital transformation and cybersecurity							■						■
Financial inclusion and supporting production	■	■	■	■		■	■		■				■
Sustainable investments and insurance						■					■		■
Community support	■	■	■						■				■
Employment protection						■							
Retention, enhancement, diversity and inclusion of the Group's people			■	■		■		■					■
Health, safety and well-being of the Group's people		■				■							
Transition to a sustainable, green and circular economy					■					■	■		■
Climate change					■						■		■

These are the identified Goals and the main Actions carried out in 2021, unless otherwise specified.

SDGs	2021 actions	Objectives
	<p>Intesa Sanpaolo for disadvantaged people (see page 145) In the 2018-2021 period ~24.8 million meals, ~1.5 million beds, ~296,250 medicines and ~249,200 items of clothing were distributed.</p> <p>Supporting the Third Sector (see page 122) In 2021, ~460 million euro was granted to support social enterprises and the third sector.</p> <p>Intesa Sanpaolo Fund for Impact (see page 118) The Intesa Sanpaolo Fund for Impact was launched in the 4th quarter of 2018 with a lending capacity of ~1.5 billion euro. ~72.5 million euro was granted in 2021 (~164.7 million euro since the launch).</p> <p>Microcredit (see page 117) ~112 million euro was granted in 2021 for microcredit or anti-usury projects, in Italy and abroad.</p> <p>Charity Allowance (see page 144) ~14 million euro was granted in 2021 through Intesa Sanpaolo's Allowance for charitable, social and cultural contributions in support of over 800 projects carried out by non-profit organisations, with 99% of resources being allocated to measures in favour of the more vulnerable categories of the population (>70% target amply exceeded).</p>	<ul style="list-style-type: none"> ◦ The "Cibo e Riparo per le persone in difficoltà" (Food and Shelter for disadvantaged people) initiative to guarantee 10,000 meals a day, 6,000 beds a month and 3,000 clothing items and medicines a month by 2021. ◦ New medium- to long-term loans in support of social enterprises, totalling ~0.7 billion euro over the 2018-2021 period, thus confirming Intesa Sanpaolo's position as the largest third-sector lender in Italy. ◦ Intesa Sanpaolo Fund for Impact, which will enable the disbursement of loans totalling 1.5 billion euro over the 2018-2021 period to sections of society who find it hard to access credit despite their potential.
	<p>Cash contribution to the community (see page 143) In 2021, cash contribution to the community amounts to ~80.5 million euro in total, 40.1% of which for art and culture and 21.1% for social solidarity.</p> <p>Support for households (see page. 119) Free extension of Intesa Sanpaolo health insurance policy coverage to include COVID-19.</p> <p>Customer health and safety (see page 102) Around 100% of branches open and fully operational; consultancy by appointment only and over-the-counter transactions by appointment only in the areas with the tightest restrictions due to the health emergency. Robberies and attempted robberies recorded a decline in 2021. In 2021 in Italy there was 1 completed incident and 3 attempted robberies, compared to 7 completed incidents in 2020, also taking into account former UBI incidents, and 4 attempts.</p>	<ul style="list-style-type: none"> ◦ Active commitment to supporting the health service during the health emergency. ◦ Guarantee of safe working conditions and business continuity for Group's people and customers. ◦ Support for well-being (People Care and Personnel Services) and flexibility programmes (24,000 workers working remotely in 2021).

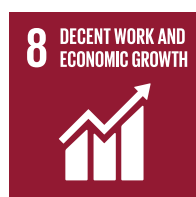
SDGs	2021 actions	Objectives
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Health, safety and well-being of Group's people (see page 169)</p> <ul style="list-style-type: none"> ◦ Flexible working extended to ~78,000 employees. ◦ Health and safety training: ~195,000 hours provided to ~37,000 employees in 2021. ◦ Over 1,700 accesses to the Consultation and Support psychological support service in 2021. ◦ In collaboration with Intesa Sanpaolo RBM Salute, a rapid antigen test campaign was conducted with geographical coverage in 24 Group offices, from January to June 2021, which involved 26,000 employees. ◦ Free insurance policy offered to all Group's people in Italy for adverse reactions to COVID-19 vaccination. ◦ Protection measures were introduced in favour of vulnerable personnel in the event of infection, placing Group's people belonging to the most fragile categories on leave (with the exception of remote work). ◦ In 2021 the Group health fund assisted 210,000 people with ~152 million euro of intermediate healthcare services net of excesses. 	
 <p>4 QUALITY EDUCATION</p>	<p>Training (see page 163) The Group's training solutions prioritised digital channels with quick, simple and interactive forms of participation, providing a total of ~12.8 million training hours (~46 million in the 2018-2021 four-year period).</p> <p>ESG training* (see page 49) Overall, in 2021 over 74,300 Group's people (77% of the total) received almost 700,000 ESG training hours (14% of the total), almost twice compared to 2020, with over 9 million accesses to content on digital platforms (Apprendo, Myla and Management School).</p> <p>Customer ESG training and engagement (see page 189)</p> <ul style="list-style-type: none"> ◦ The development of digital training dedicated to businesses continued through the Skills4Capital platform, with the aim of supporting enterprise growth, developing skills and seizing the opportunities of a constantly evolving market (468 learning objects available, 113 of which dedicated to social and environmental impact issues). ◦ Skills4ESG, an initiative aimed at raising awareness of ESG issues via a customer portal, a single access point for ESG training topics, was designed in 2021. ◦ The ESG Lab initiative, a physical and virtual meeting point for guiding Italian businesses through the sustainable transition, was developed in 2021. The first ESG Lab was opened in Brescia in late September, the second in Padua at the end of November, and more openings are scheduled during 2022. <p>Education and spread of financial culture (see page 122) Through the Museo del Risparmio (Savings Museum), the training/dissemination of financial culture reached around 45,600 users in 2021, of which 40,000 primary and secondary school pupils and teachers with a total of 844 training hours provided and 5,600 adults involved through events, dedicated promotional initiatives and visits to the Museum.</p> <p>Training and work projects for the next generations (see page 147)</p> <ul style="list-style-type: none"> ◦ Intesa Sanpaolo collaborates with over 60 Italian and international universities (in particular Oxford and Cambridge). In 2021, over 40 Agreements were signed and various partnerships all over Italy continued; more than 150 scholarships and research grants were also awarded to young students and researchers. ◦ The "Giovani e Lavoro" (Youth and Work) Programme, in partnership with Generation Italy, is geared towards the training and placement of 5,000 young people in the Italian employment market: ~9,000 young people (aged 18-29) submitted their applications in 2021 (~24,000 since 2019); over 1,600 students were interviewed and ~750 trained/undergoing training through 29 courses in 2021 (over 5,200 students interviewed and over 2,200 students trained/undergoing training since 2019); over 2,000 companies involved since the launch of the Programme. ◦ Intesa Sanpaolo is the main sponsor of the Generation4Universities Project, developed by Generation and McKinsey & Company, aimed at helping students in their last year of university to embark on successful professional careers. The programme that finished in July involved 70 students from 31 universities and 18 leading Italian companies as potential employers. ◦ P-Tech, initiative in partnerships con IBM, aims to provide young professionals with training in the area of new digital skills: in 2021, Intesa Sanpaolo was also directly involved by delivering 3 webinars, 1 online three-day finance workshop and several mentoring meetings. <p>Intesa Sanpaolo Fund for Impact (see page 118)</p> <ul style="list-style-type: none"> ◦ "Per Merito", the first unsecured credit line dedicated to all university students resident in Italy, studying in Italy or abroad, allowed ~71 million euro to be disbursed in 2021 (~162 million euro since the start of 2019). ◦ XME StudioStation, a loan to support distance learning, made it possible to disburse ~0.5 million euro in 2021 (~1.7 million euro since its launch). 	<ul style="list-style-type: none"> ◦ 1 billion euro of investment in training and learning for employees, with the provision of ~46 million hours of training in the 2018-2021 period (11.9 million hours in 2021). ◦ Supporting training and access to the Italian labour market for 5,000 young people over a multi-year timeframe with the Generation initiative. ◦ Continuation of the "Per Merito" initiative, part of the Fund for Impact, and introduction of new solutions.

* The data shown do not include the training initiatives already detailed in dedicated tables (see those relating to the different regulatory areas), even though they fall within the ESG area.

SDGs	2021 actions	Objectives
 <p>5 GENDER EQUALITY</p>	<p>Inclusion and diversity management (see page 165) The most significant activities completed in 2021 include:</p> <ul style="list-style-type: none"> ◦ Rules for combating sexual harassment were issued; ◦ The Diversity & Inclusion Principles, approved in 2020, were incorporated abroad; ◦ The GEEIS - Diversity Certification was attained; ◦ The D&I Control Room was launched; ◦ ~2,100 managers were assessed also on the basis of a KPI that takes into account the achievement of the commitments on gender equality expressed in line with the Diversity & Inclusion Principles of the Group (1,200 in 2020); ◦ To promote female talent and foster the creation of fair and inclusive working environments, initiatives for the development of female professionals and managers continued. The "Female Leadership Acceleration" programme, an assessment, training and development process aimed at women managers, with the target of creating a community receiving customised management approaches in terms of growth, also continued. <p>Fund for Impact – new credit access opportunities (see page 118)</p> <ul style="list-style-type: none"> ◦ Mamma@work, a highly subsidised loan launched in July 2020 to reconcile motherhood and work in the first years of children's life (~0.8 million euro granted in 2021; ~1 million euro since launch) continued. ◦ The initiative to support working mothers in India continued. <p>Support for female entrepreneurship (see page 119) The Business Gemma loan supports businesses run by women and self-employed women, benefitting free of charge from the guarantee of the special section of the SME Fund for Women's Entrepreneurship. In 2021, 67 loans were disbursed for a total of 3.2 million euro.</p> <p>Products and services for small and medium-sized enterprises (see page 183) As part of the S-Loan plafond, a loan dedicated to SMEs for projects aimed at improving their sustainability profile, in April 2021, the offering was extended with S-Loan Diversity to enhance and promote gender equality and the role of women in the socio-economic context.</p>	<ul style="list-style-type: none"> ◦ Launch of dedicated initiatives to ensure diversity and inclusion are fully promoted. ◦ Intesa Sanpaolo Fund for Impact, which will enable the disbursement of loans totalling 1.5 billion euro over the 2018-2021 period to sections of society who find it hard to access credit despite their potential.
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Loans and services for the Green Economy (see page 182) In 2021, the Group's disbursements for the Green Economy amounted to 6.1 billion euro (over 28 billion euro in the 2010-2021 period), corresponding to around 8% of the Group's total loans. In March 2021, a 1.25 billion euro Green Bond was issued dedicated to Green mortgages granted for the construction or purchase of high energy efficient real estate (energy class A or B). This issue is in addition to three other Green Bonds issued in 2017 and 2019 for a total of 1.75 billion euro (500 million euro for renewable energy and energy efficiency, 750 million euro for Circular Economy and 500 million euro for renewable energy sectors by UBI).</p> <p>Renewable energy (see page 201) ~88% renewable energy purchased versus total purchases in 2021. The Group itself produced 1,361 MWh of energy from renewable photovoltaic sources.</p>	<ul style="list-style-type: none"> ◦ Purchase of electricity from renewable sources equal to 89% by the end of 2022
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Supporting production (see page 123)</p> <ul style="list-style-type: none"> ◦ The Group made available a total amount of over 400 billion euro in terms of new medium/long-term loans for businesses and households in the 2021-2026 period, in conjunction with the launch of the National Recovery and Resilience Plan (NRRP). ◦ In 2021 ~77 billion euro of new medium/long-term loans was disbursed (~290 billion euro since 2018), 66 billion euro of which in Italy, and ~55 billion euro to households and small and medium-sized enterprises. Over 20.6 billion euro are loans with a high social impact (26.6% of the total), ~14 billion euro of which under the Liquidity Decree (~43 billion euro since the start of the pandemic), to support production during the health emergency. In addition, in accordance with the emergency regulatory framework, moratoria were granted for ~115 billion euro* of households and business mortgages and loans. ◦ The Group provided 10 billion euro in new credit facilities to boost ~2,500 Italian supply chains through the enhancement of the Sviluppo Filiere Programme. ◦ In 2021 the Group facilitated the return from non-performing to performing status of ~10,000 Italian companies (~133,000 since 2014), with a positive impact on employment through the protection of ~50,000 jobs. ◦ With Resto al Sud, the initiative promoted by the Italian Ministry of the Economy aimed at young people for the launch of start-ups in southern Italian regions, which takes advantage of the 1.25 billion euro made available by the Development and Cohesion Fund, over 1,000 loans amounting to over 39 million euro were disbursed in 2021. 	<ul style="list-style-type: none"> ◦ New medium/long-term credit granted to the real economy amounting to ~250 billion euro ◦ Hiring of at least 1,650 people in the 2018-2021 period to support the growth of the core business and facilitate generational change. ◦ Reassignment of excess capacity (5,000 people) into new high-value added initiatives (Proactive HR In-Placement) ◦ International Talent Program aimed at strengthening the international middle management community through training programmes and personalised career paths involving ~500 resources by 2021.

* Moratoria granted up to 31.12.21 (flows), including renewals, considering UBI Banca and the sale of branches carried out in the first half of the year.

SDGs	2021 actions	Objectives
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Sustainable investments (see page 130)

Intesa Sanpaolo strengthened its ESG offering in asset management through the launch of new sustainable funds, equal to 58% of the total number of new funds. At the end of 2021, sustainable assets under management amounted to 110 billion euro, equal to 46% of total assets under management (Eurizon perimeter - funds pursuant to articles 8 and 9 of the SFDR 2088). Fideuram also offers 8 funds classified according to Articles 8 and 9 of the SFDR with a total of 2.6 billion euro of assets (about 3% of the total assets of the Funds managed).

Employment protection (see page 156)

The trade union agreements defined following the acquisition of the UBI Banca Group, made it possible to identify the best conditions for a generational change without social impacts, ensuring an alternative to possible professional reallocation (~5,000 resources reassigned in the 2018-2021 period) as well as the enhancement of human resources; in this context, ~9,200 voluntary resignations through access to retirement or the Solidarity Fund were planned and will be completed in the Group by 31 March 2025. Concurrently, in order to pursue a balanced management of the effects arising from the resignations and in order to support the Group's growth, 4,600 indefinite-term employment contracts will be signed by 31 December 2025 (3,990 people employed in 2021, ~500 of whom with specialised profiles). Employment within the Group was also guaranteed by the gradual extension of the new mixed contract (over 720 people in service at the end of 2021).

Assessment and incentive systems (see page 162)

Over 80% of eligible employees joined the LECOIP 2.0 incentive Plan for an Initially Allocated Capital value of ~184 million euro. Second-level agreements were signed for the pay-out of the Variable Result Bonus, the Protection Excellence System and, for the Insurance Division, the Variable Additional Bonus and the Social Bonus.

In the Incentive System, the ESG dimension was strengthened through the introduction of a specific and structured KPI, which represents an evolution compared to the previous Group's transversal "Diversity & Inclusion" KPI, which was assigned to the CEO and to approximately 2,100 Group managers.

Talent development (see page 164)

Digital initiatives also continued as part of the International Talent Program for the Group's Talents (over 320 people involved), also supported by the content and insights available on the Management School App.

Company climate (see page 174)

62.3% of Group's people in Italy and 55.7% abroad responded to the climate survey conducted in 2021, with a Group satisfaction index of 79%.



Digital Transformation (see page 108)

Intesa Sanpaolo is a European leader for its mobile app functionalities and stands out for its strong digital solutions with:

- ~12.9 million multichannel customers (+~1.3 million vs 2020, including UBI Banca and considering the sale of branches performed in 1H21) equal to ~96% of customers;
- ~163.6 million digital transactions (+13% vs 2020);
- ~3.6 million digital sales* (+76% vs 2020);
- ~47.4 million digital payments (+122% vs 2020);
- ~76% of activities digitised (60% in 2020).

As part of the agreement signed with TIM and Google, activities began to develop the Google Cloud Platform in Italy, a project aimed at providing Intesa Sanpaolo with Google cloud services on TIM's Italian Data Centres that will meet the highest international security and information confidentiality standards.

Support for innovation (see page 106)

Via the Intesa Sanpaolo Innovation Center, workshops were developed for applied research projects, as well as activities in favour of start-ups:

- Artificial Intelligence Lab: 7 research projects underway and 4 published scientific papers at the end of 2021;
- Neuroscience Lab: 21 seminars were held at the end of 2021 and 8 research projects are underway, including on health and safety issues;
- Development and promotion of start-ups: ~780 start-ups were analysed (~3,420 since 2018) in 7 acceleration programs with 209 assisted start-ups (~600 since 2018) which were presented to selected investors and other stakeholders in the ecosystem (~6,150 to date) in 2021.

In October 2021, Intesa Sanpaolo launched Digital Loans (D-Loans) to improve enterprise digitalisation (1.1 million euro disbursed since launch).

- 2.8 billion euro of investments in 2018–2021 to complete the digital transformation.
- 70% of activities digitised in 2021 (10% in 2017).

* Commercial offerings sent to customers (website or app) by the manager or the online branch, electronically signed by the customers, or self-service purchases.

SDGs	2021 actions	Objectives
 <p>10 REDUCED INEQUALITIES</p>	<p>Inclusion and diversity management (see page 165)</p> <ul style="list-style-type: none"> ◦ A section dedicated to Disability Management was created on the company intranet; the second edition of the Higher Education Training course “Disability Manager e mondo del lavoro” (Disability Manager and the working world), organised by Cattolica University of Milan, is scheduled. ◦ The Rules for Combating Sexual Harassment, a document that supports the Code of Ethics and the Code of Conduct, were published in 2021. ◦ The projects to encourage the inclusion of people with intellectual disabilities and people diagnosed with autism or autism spectrum disorder and the commitment to dyslexia, continued. In December 2018 Intesa Sanpaolo was the first bank in Italy to be certified Dyslexia Friendly. <p>Intesa Sanpaolo Fund for Impact (see page 118)</p> <p>In the context of the Fund for Impact: Mamma@work, a subsidised loan to reconcile motherhood and work; “per avere Cura”, a loan intended for families with members that are not self-sufficient; “per Crescere”, a credit line for parents with school-age children; support initiative for working mothers in India.</p> <p>Assessment and incentive systems (see page 162)</p> <p>The so-called Global Banding mapping system for organisational managerial positions within the company, which objectively evaluates the relative value of different organisational roles and represents in a more organic and objective way the responsibilities of each Manager, was consolidated, including through the use of an international title valid for managerial positions in Italy and abroad.</p>	<ul style="list-style-type: none"> ◦ Launch of dedicated initiatives to fully promote diversity and inclusion (e.g. gender, age, nationality, religion, personal and social conditions). ◦ Intesa Sanpaolo Fund for Impact, which will enable the disbursement of loans totalling 1.5 billion euro over the 2018-2021 period to sections of society who find it hard to access credit despite their potential.
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>Promotion of culture for social cohesion (see page 148)</p> <ul style="list-style-type: none"> ◦ During the year the two building sites progressed considerably for the construction of the new museums in Turin and Naples. Both locations will enrich the Gallerie d'Italia project from spring 2022. ◦ During the opening period, from the end of April 2021, Gallerie d'Italia recorded a total of ~145,000 visitors. Since autumn ~4,500 children and teenagers have begun to attend the educational courses again for the new school year. ◦ Museo per tutti (Museum for everyone): the initiatives dedicated to social inclusion included the educational and exhibition project “Argilla. Storie di vasi” (Clay. Stories behind vases) displayed at GDI-Vicenza, in partnership with the University of Padua, equipped with audio and tactile media and sign-language videos so as to be widely inclusive. ◦ In 2021, 166 works of art from owned collections were put on display in 44 temporary exhibitions in national and international museums. <p>Events and initiatives (see page 192)</p> <p>In October 2021, the Bank renewed its support for Forestami, an urban forestation project which aims to plant 3 million new trees in the Metropolitan City of Milan by 2030 thanks to the contribution of all its supporters.</p> <p>Products and services for Retail customers (see page 182)</p> <p>The Bank supports green projects of Retail customers; including:</p> <ul style="list-style-type: none"> ◦ Green - Mutuo Domus: a subsidised mortgage loan for the purchase, construction or redevelopment of a residential property in Italy to ensure a high energy class; ◦ EeMAP (Energy efficient Mortgages Action Plan) project, a European initiative that aims to create energy efficient mortgages, with a view to encouraging the redevelopment of buildings and the purchase of highly efficient properties. 	<ul style="list-style-type: none"> ◦ Proactive management of the artistic, cultural and historical heritage of the Group and promotion of art and culture in Italy and abroad.
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Circular Economy (see page 185)</p> <p>The Bank’s commitment to the circular economy – developed in partnership with the Ellen MacArthur Foundation – involved the establishment, for the period 2018-2021, of a dedicated credit plafond of 6 billion euro and the launch of the Circular Economy Lab, first Italian workshop – held together with Fondazione Cariplo and Cariplo Factory – aimed at creating value for the Group’s customer companies by developing research programmes and through circular innovation. In 2021 the Circular Economy Lab, in collaboration with other partners, launched a national Hackathon on the Circular Economy, involving 25 universities, 8 businesses and 400 university students. Since the launch of the credit plafond, 7.7 billion euro has been disbursed (including 1.2 billion euro of Green Mortgages to retail customers), 5.5 billion euro of which in 2021.</p> <p>March 2022 saw the publication of the new Green Bond Report on the use of the proceeds of the four Green Bonds issued to date and their relative environmental benefits at portfolio level for each of the green categories; 5.5 million tonnes of CO₂eq emissions were avoided in total [1].</p>	<ul style="list-style-type: none"> ◦ Allocation of a dedicated credit plafond for the Circular Economy.

SDGs	2021 actions	Objectives
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Responsible management of resources (see page 202)
 In June 2021, the Intesa Sanpaolo Group updated its Green Banking Procurement rules defining, further to the previous criteria already applied, additional minimum sustainability requirements for purchases of paper, stationery, toner cartridges, electricity and office equipment, as well as for the redevelopment of real estate.



Strategy for combating climate change (see page 197)
 In 2021, Intesa Sanpaolo set itself the goal of achieving net-zero emissions by 2050 with reference to both its own emissions and those relating to the loan and investment portfolios, for asset management and the insurance business, and adhered to all the net-zero credit, investment and insurance alliances: Net-Zero Banking Alliance (NZBA), Net Zero Asset Managers Initiative (NZAMI), Net-Zero Asset Owner Alliance (NZAOA) and Net-Zero Insurance Alliance (NZIA).

The strategy for combating climate change was further refined within the 2022-2025 Business Plan, setting a net-zero target on its own emissions by 2030 and objectives for the reduction of financed emissions aligned to net zero for 2030 in the oil&gas, power generation, automotive and coal mining sectors.

Own emissions reduction plans (see page 199)
 Since 2017 Intesa Sanpaolo has had a Multi-Year Environmental Sustainability Plan – the Climate Change Action Plan – with targets for 2022 and 2037. The results achieved in 2021 are set out below:

- a 33% reduction was achieved against a target of 37% reduction in absolute emissions linked to energy consumption (direct and indirect) (target to be achieved in 2022 with respect to 2012 emissions);
- the target, revised in 2020, of purchasing electricity from renewable sources equal to 89% by the end of 2022 has almost been met (~88% of renewable electricity purchased out of total purchases in 2021).
- the target of maintaining electricity production levels from photovoltaic energy over 1,000 MWh per year has been met: in 2021, the Intesa Sanpaolo Group's self-production was equal to 1,361 MWh.

Furthermore, Scope1 + Scope2 greenhouse gas emissions decreased by 4% at the global level*.

ESG risk governance model (see page 57)
 In 2021 Intesa Sanpaolo updated and published the policies on lending in the coal and unconventional oil&gas sectors respectively, providing for various lending exclusions and limitations, as well as the phasing out of coal mining by 2025 and of unconventional oil&gas resources by 2030.

Disclosure on climate change issues (see page 197)
 In 2021, Intesa Sanpaolo also published its first TCFD report, a document that provides a detailed representation of governance, strategy, risk management, metrics and targets with reference to climate change.

Transition to a sustainable, green and circular economy (see page 180)

In 2021, loans for the Green and Circular Economy were disbursed amounting to around 8.7 billion euro, equal to 11.2% of total loans (2.9% in 2020).



With reference to the Circular Economy credit plafond, 5.5 billion euro was disbursed in 2021 (7.7 billion euro disbursed since the launch of the plafond).

In July 2020 Intesa Sanpaolo allocated a credit plafond of 2 billion euro for S-Loan (~1.3 billion euro granted since launch, of which ~1.2 billion euro in 2021) designed to help SMEs finance projects aimed at improving their sustainability profile. In July 2021, the offering was expanded with S-Loan Climate Change and in November 2021 with S-Loan Agribusiness and S-Loan Tourism. All S-Loans have subsidised interest rates, subject to the annual monitoring of 2 ESG KPI, to be reported in the borrower's financial statements.

In 2021 Intesa Sanpaolo participated in the issue of the first Italian green BTP.

- Support for the Green and Circular Economy and the ecological transition of companies, for which 76 billion euro of loans were made available over the time horizon of the National Recovery and Resilience Plan (out of a total of over 400 billion euro for businesses and households to support the NRRP).
- The Climate Change Action Plan, Intesa Sanpaolo's Multi-Year Environmental Sustainability Plan, envisages a reduction of 37% in CO₂ emissions in the 2012-2022 period.

* The 2020 figures were redetermined to include the UBI Banca Group for the entire year.

SDGs	2021 actions	Objectives
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>Combating corruption (see page 84)</p> <ul style="list-style-type: none"> ◦ The Anti-corruption Guidelines, updated by the Board of Directors in March 2020, define the Group's commitment to comply with the regulatory provisions aimed at combating corruption in all its forms. ◦ During 2021, the Group continued to verify the consistency of the detailed internal regulations with the general principles defined in the Anti-corruption Guidelines. The activities of the multi-year programme for the overall review and strengthening of anti-money laundering, embargoes, anti-terrorism and anti-corruption controls at Group level (ENIF Programme - Enabling Integrated Anti Financial Crime) also continued. ◦ In April 2021 Intesa Sanpaolo obtained confirmation of the ISO 37001 Anti-bribery Management System certification, following the second and last annual audit process by the competent certification company. ◦ In 2021, training to prevent corruption and money laundering involved ~75,900 employees for a total of ~248,700 hours provided. 	<ul style="list-style-type: none"> ◦ Ongoing verification of the consistency of internal regulations with the Anti-corruption Guidelines and the Antibribery Management System.
 <p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>Commitment to domestic and international initiatives, partnerships and strategies for the United Nations Sustainable Development Goals (see page 30)</p> <p>Intesa Sanpaolo participates in numerous initiatives/partnerships that support and contribute to the achievement of the SDGs and are linked to issues relevant to the Group's strategy and its stakeholders. For further information, reference is made to the paragraph "Commitment to domestic and international initiatives, partnerships and strategies for the United Nations Sustainable Development Goals" (see page 30).</p>	



Governance and risk management

Governance structure

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Monitoring of ESG and reputational risks	page 56

Intesa Sanpaolo adopts the “one-tier” management and control model, in which the management and control functions are exercised, respectively, by the Board of Directors and the Management Control Committee set up within it, both appointed by the Shareholders’ Meeting.

Detailed information on the corporate governance system and remuneration – including references to diversity in the Board of Directors – is provided in the “Report on Corporate Governance and Ownership Structures” and in the “Report on remuneration policy and compensation paid” published on the Bank’s website, to which reference should be made. In particular, the model of attributions and responsibilities of the Bodies on ESG risks and the diversity profiles of the composition of the same Bodies are specifically represented in the Report on Corporate Governance and Ownership Structures.

THE BOARD OF DIRECTORS

The Board of Directors is tasked with corporate management and may therefore undertake all transactions considered necessary, useful or appropriate in achieving the corporate purpose, both of an ordinary and extraordinary nature. It performs strategic guidance and supervision functions for the Company and resolves on all the most important corporate deeds.

The Managing Director and CEO is the Chief Executive Officer and General Manager and supervises the company’s management to the extent of his/her assigned powers, in compliance with the general planning and strategic guidelines set forth by the Board. The Chairman of the Board of Directors oversees the work of the Board, organises and directs the activity and performs all the tasks set by the supervisory regulations. He/She has a non-executive role and does not carry out, not even de facto, management functions.

Within the Board there is a Management Control Committee, appointed by the shareholders’ meeting, which is made up of five independent directors pursuant to the Articles of Association and exercises the control functions also as an internal control and audit committee (pursuant to Italian Legislative Decree no. 39/2010).

The Ordinary Shareholders’ Meeting of 30 April 2019 set the number of members of the Board of Directors at 19, appointing directors for the three-year term of office on the basis of the lists submitted by shareholders. The Ordinary Shareholders’ Meeting of 27 April 2020 subsequently integrated the Board following the resignations tendered by two Board Members.

All directors are non-executive, with the exception of the Managing Director and CEO; 14 directors are independent. Minority shareholders are adequately represented (5 members) and present in all Board Committees with the chairmanship of the Management Control Committee and the Committee for Transactions with Related Parties. The Directors meet the suitability requirements required by the applicable regulations and the provisions of the Articles of Association.

The Board Committees are indicated below, which are appointed by the Board of Directors from among its members, and support the same Board with its duties of performing investigations, providing advice and making proposals:

- Nomination Committee;
- Remuneration Committee;
- Risks Committee;
- Committee for Transactions with Related Parties.

The Committees are composed of five non-executive Directors, the majority of which are independent, with the exception of the Committee for Transactions with Related Parties, which is entirely composed of independent Directors. All the Committees are chaired by independent directors.

RESPONSIBILITIES AND DIVERSITY OF THE MANAGEMENT AND CONTROL BODIES

According to Intesa Sanpaolo's Articles of Association, the Board shall adopt the necessary measures to ensure that each Director, and the Board as a whole, have a continually adequate level of diversification, including in terms of experience, age, gender and international orientation, in addition to competence, fairness, reputation, independence of mind, and time commitment.

In the document on the qualitative and quantitative composition of the Board of Directors published on the Bank's website in February 2019, in view of the renewal of the Corporate Bodies which took place with ordinary Shareholders' Meeting of 30 April 2019, the shareholders were asked to ensure that the new Board of Directors had the broadest gender diversity with adequate professional skills, as well as a diversity of age brackets amongst Directors, in addition to a comprehensive level of knowledge and experience.

With particular reference to the adequacy and diversity of the professional profiles required, a "Skills Directory" has been drawn up in the document cited outlining the set of experiences, knowledge and skills – very good or distinctive, with a very broad, intermediate or limited dissemination – that are considered appropriate to achieve the optimal qualitative composition of the Board of Directors of Intesa Sanpaolo. The skills and expertise were subsequently strengthened and supplemented on the basis of training programs as well as of the intensive induction plan for both the new directors (onboarding) and the entire Board. It should be noted that the document on the qualitative and quantitative composition of the new Board of Directors was published on 3 March 2022, in view of the renewal of the Bodies on the agenda of the Shareholders' Meeting of 29 April 2022.

For further information on the skills declared by the individual directors at a distinctive level, reference is made to the Report on Corporate Governance and Ownership Structures pages 13-14).

The less-represented gender must be reserved a share of at least one third of the total members (7 members out of 19), as established by currently applicable laws on the matter of equal access to the administrative and control bodies of listed companies. Furthermore, in the current structure of the Board, the female gender is represented within all the Board Committees, reaches the majority of the members of the Committee for Transactions with Related Parties and has the chairmanship of the Risks Committee and the Nomination Committee. On the occasion of the next renewal of the Board of Directors, compliance with the new gender proportion laid down in the Articles of Association - equal to 2/5 of the Board Members - will be ensured.

The Board of Directors assessed its composition as adequate, including in terms of diversity, and suitable for a properly balanced composition of the Board Committees. Senior officers of the subsidiaries are appointed by the Board of Directors, which operates according to uniform policies and principles at Group level and in compliance with the regulations and best practices applicable to each subsidiary, with specific importance given to the level of diversity, including in terms of age, gender, seniority of service, geographical origin and international orientation. In establishing the composition of the Bodies, the most adequate and effective mix of personal and professional profiles is sought for each subsidiary in terms of its nature, the structure of its activities and the risks taken. To this end, any indications made by the Management Body of each subsidiary during the annual self-assessment process are taken into account.

TRAINING AND UPDATING OF THE DIRECTORS

With the support of the Nomination Committee, the Board of Directors shall ensure that the Bank draws up and implements induction and training programmes for the members of the same Board. In this context, following the Chairman's indications, Board Members' participation in initiatives is promoted to enhance the degree of knowledge of the operating sectors of the Bank and of the Group companies, company dynamics and their development, the principles of sound risk management and the regulatory and self-regulatory environment of reference, and in formal and informal meetings, aimed at further review of strategic matters.

During 2021, specific induction sessions (7 sessions) were held which touched on the following topics, among other things: the evolution of ESG issues and the Intesa Sanpaolo Group's commitment as part of a dedicated programme; the evolution of ESG Reporting, Commitment to Net Zero and Task Force on Climate-Related Financial Disclosures Report 2020-2021; the evolution of Anti-Financial Crime; the evolution of the Cyber context and new threat scenarios, the architecture of the Bank's digital channels; market abuse and personal transactions. To promote better understanding of the reference corporate and regulatory environment and its evolution, a collection of governance documents, regulatory references, key correspondence with the Supervisory Authorities, accounting positions and any additional documentation conducive to the performance of their duties is available to Board Members via a dedicated electronic platform and regularly updated.

The Board of Directors receives periodic reports from the corporate control functions on their activities, which illustrate the checks carried out, the results achieved, the weaknesses found and the proposals for action to be taken to eliminate them within the various company areas. These reports shall also cover anti-corruption issues. Several Directors also hold positions on the Boards of Directors of leading Italian universities as well as on the Boards of foundations and third sector bodies active in the fields of art and culture, health, support for poverty and the circular economy and support for nutrition policies. In particular, a member of the Board of Directors, as well as Chairman of the Risks Committee, is a member of the CreaRes Scientific Council, a Centre for Research in Business Ethics and Social Responsibility which aims, among other things, to enhance research on business ethics, ethical finance, corporate governance and social reporting.

REMUNERATION

Full information, both in qualitative and quantitative terms, is provided in the Report on remuneration policy and compensation paid (hereinafter also “Report on Remuneration”), available on the website [\[1\]](#).

The Bank’s Articles of Association envisage that the members of the Board of Directors be entitled, in addition to the reimbursement of expenses incurred due to their office, to a remuneration for the services rendered, which is determined by the Shareholders’ Meeting in a fixed amount for the entire period of their office. The Shareholders’ Meeting also determines the additional remuneration for the office of Chairman and Deputy Chairperson. Pursuant to the Articles of Association, the Shareholders’ Meeting has the duty to determine, at the time of the appointment of the Management Control Committee and for the entire term of office, specific remuneration for the Board Members of this Committee, consisting of an equal amount for each Member, but with a special addition for the Chairman.

Pursuant to the Articles of Association, the Managing Director is entitled to receive a fixed and variable remuneration tied to the position of General Manager, determined by the Board of Directors in line with the Remuneration and Incentive Policies approved by the Shareholders’ Meeting.

As required by the Supervisory Provisions, in accordance with the principle of external competitiveness and in order to support the achievement of the ambitious strategic objectives, in 2017 the Shareholders’ Meeting resolved to increase the incidence of variable remuneration to fixed remuneration up to a maximum of 2:1 for Group Risk Takers, including the Managing Director and General Manager.

In continuity with 2020 and in line with the ECB’s recommendation related to the macroeconomic situation following the COVID-19 pandemic, in 2021 the Intesa Sanpaolo Group adopted the utmost prudence in the definition of the 2021 bonuses to be accrued by Risk Takers, thereby introducing a contingent reduction in the maximum portion (equal to approximately -40%) of variable remuneration to be accrued under the short-term Incentive Systems for the year.

However, consistently with the provisions laid down by the 2021 Remuneration and Incentive Policies, in consideration of certain conditions having been met (i.e. Group results at least in line with budget forecasts and absence of recommendations from the Supervisory Authority to moderate variable remuneration with particular reference to the portion payable to Risk Takers), the Board of Directors approved the restoration of the bonuses to be accrued by Risk Takers to the previously established ordinary levels.

The variable component of remuneration, bound to the achievement of specific performance objectives linked to the creation of value for shareholders and adjusted for the risks assumed, is composed of the Annual Incentive System linked to the Managers’ Performance Accountability assessment system and to the 2018-2021 POP (Performance-based Option Plan) Long-Term Incentive Plan for Top Management, including CEO, Group Risk Takers and Key Managers. In accordance with the Supervisory Provisions and the Group’s Remuneration and Incentive Policies, both the short- and long-term variable components are subject to deferral and partly assigned in financial instruments subject to holding periods after the vesting period.

Under the Annual Incentive System, if the bonus accrued by the CEO is equal to or less than 100% of the fixed remuneration, 55% is paid in shares and the remainder in cash. On the other hand, if the bonus accrued is more than 100% of the fixed remuneration, 60% is paid in shares and 40% in cash. Furthermore, the disbursement of 60% of the bonus is deferred for 5 years. The payment of the deferred amounts is subject to the verification of the malus conditions each year. Finally, the company reserves the right to activate claw-back mechanisms on bonuses already paid in the 5 years following their payment in the event of disciplinary measures against fraudulent or grossly negligent conduct and in the event of conduct that does not comply with the provisions of the law, regulations, articles of association or any codes of ethics or conduct resulting in a “significant loss” for the Bank or for customers.

More specifically, in the Incentive System, the ESG dimension was strengthened through the introduction of a specific and structured KPI. This KPI - which represents an evolution compared to the Group’s previous “Diversity & Inclusion” transversal KPI - was assigned to the CEO and approximately 2,100 Group managers (in Italy and abroad), in line with the Group’s ever-increasing commitment to social, cultural and environmental

sustainability and with the aim of creating long-term value for the Bank, its people, its customers, the community and the environment.

Furthermore, the introduction of that new KPI is also linked to the increasing attention on those issues by Regulators, Proxies, Shareholders and Stakeholders of the Group.

The new ESG KPI (which is assigned an incremental weight compared to the previous year, i.e. 15% vs 10%) is assessed on the basis of specific drivers.

In particular, for the CEO:

- Inclusion of Intesa Sanpaolo in the sustainability indices of specialised companies (number of times);
- Achievement of gender equality commitments: i) in annual hires; ii) in the pool of candidates for first appointment to management positions;
- Group initiatives in the ESG sphere:
 - Support to the green economy and the circular economy: i) YoY increase in the Volumes of Loans to Customers relating to Green/Transition Loans, Circular Economy Loans and Green Mortgages; ii) Reduction in total loans granted (caps or credit lines) to the carbon energy sector compared to 31/12/2020;
 - Growth in sustainable finance: YoY increase in S-Loans;
 - Growth in Sustainable Investments: increase in assets invested in ESG products managed;
 - “Giovani e Lavoro” (Youth and Work) Programme
 - Promotion of the Group’s artistic and cultural heritage.

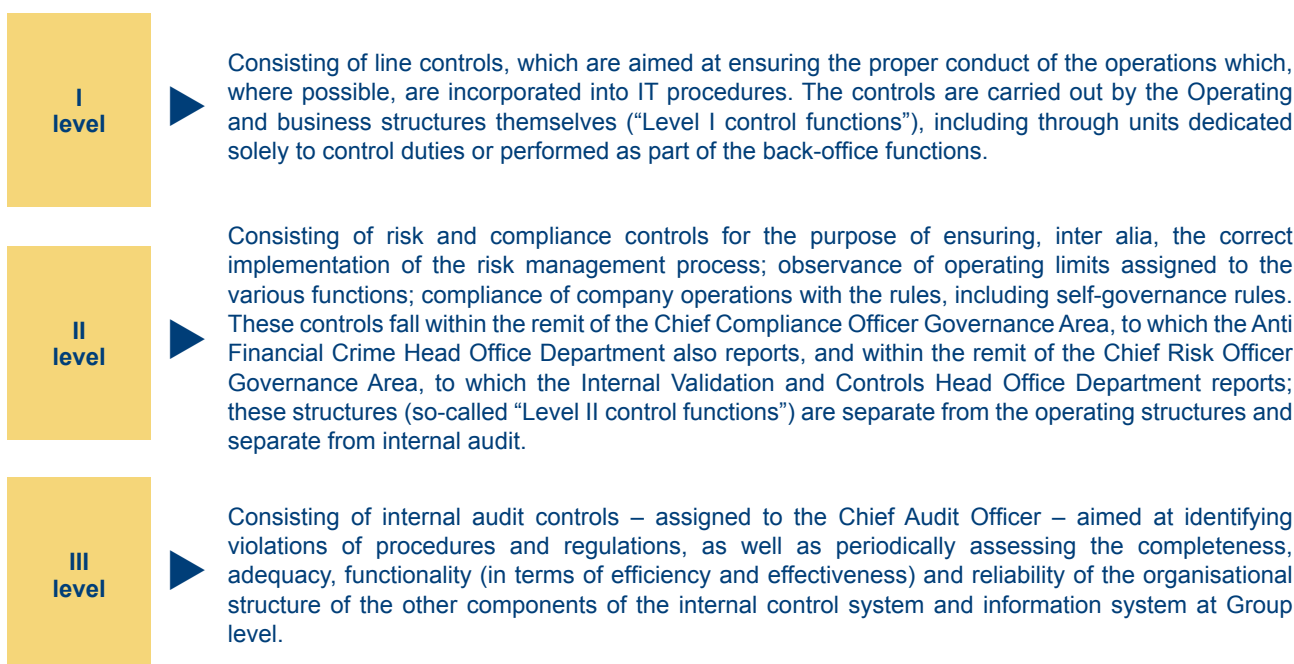
For the remaining personnel, the ESG KPI is assessed:

- both at Group level, to recognise the Bank’s overall commitment in terms of Intesa Sanpaolo’s inclusion in sustainability indices of specialised companies;
- and at Governance Area/Division level, in order to enhance the areas of action of the individual structures. In particular, the assessment takes into account specific projects/actions in the ESG area, as well as the achievement of the commitments on gender equality expressed in line with the Group’s Principles on Diversity & Inclusion.

THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

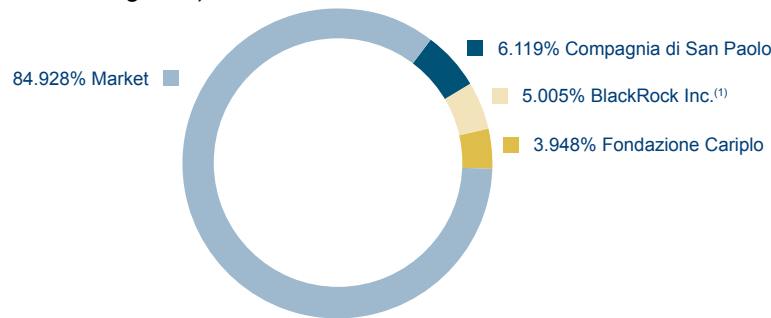
To ensure sound and prudent management, which combines business profitability with informed risk taking and operating conduct underpinned by fairness, the Bank has adopted the Integrated Internal Control System Regulation.

The internal control system has been designed to achieve constant monitoring of the identification, governance and control of the risks involved in our activities and is based on three levels:



SHAREHOLDER BASE

The share capital of Intesa Sanpaolo is equal to 10,084,445,147.92 euro, divided into no. 19,430,463,305 ordinary shares. In February 2022, Intesa Sanpaolo's shareholder base was composed as follows (holders of shares with voting rights exceeding 3%*):



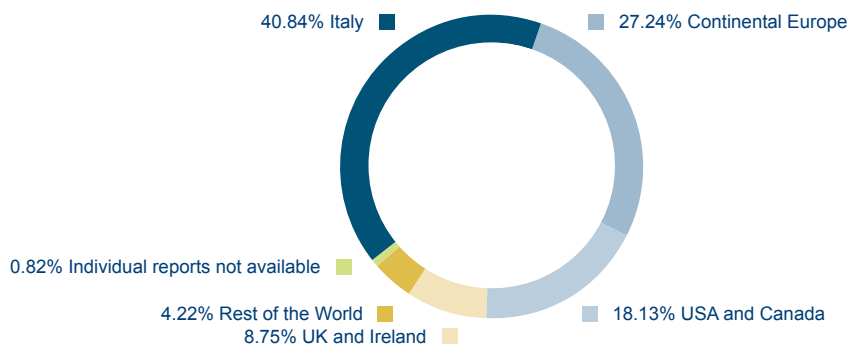
(* Italian regulations (Article 120 of the Consolidated Law on Finance) provide for the obligation to notify the investee company and Consob of the threshold of 3% of the share capital with voting rights held in a listed company being exceeded, as well as (Article 19 of the Consolidation Law on Banking) the prior authorisation of the Bank of Italy to acquire a significant shareholding in a bank or that entails the possibility of exercising significant influence over the bank itself or the acquisition of a shareholding that attributes a share of the voting rights or of the capital at least equal to 10%.

Furthermore, shareholders that are fund management companies may be exempted from disclosure up to the 5% threshold.

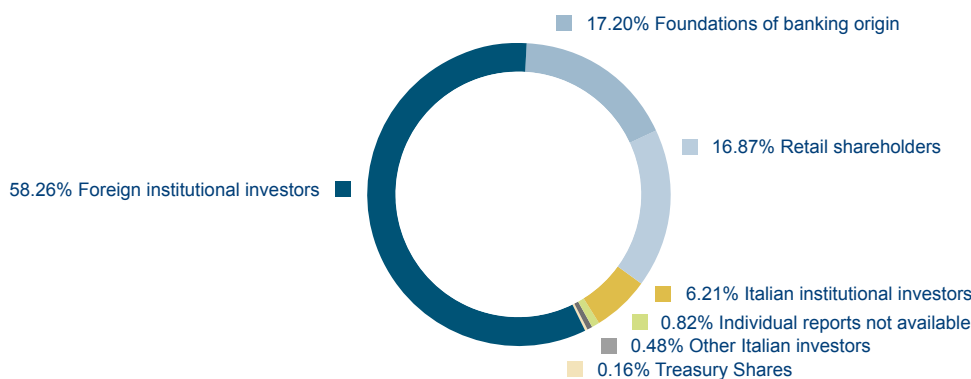
(1) BlackRock Inc. owns, as assets under management, aggregate investment equal to 5.066% as per form 120 B dated 4 December 2020.

Below is an estimate of the ownership structure by geographical area and by type of shareholder, based on the names of the recipients of the distribution of a portion of the extraordinary reserve from the 2020 income (October 2021) as reported by the intermediaries (ex-dividend date 18 October 2021).

OWNERSHIP STRUCTURE BY GEOGRAPHICAL AREA



OWNERSHIP STRUCTURE BY TYPE OF SHAREHOLDERS



RELATIONS WITH SHAREHOLDERS AND THE FINANCIAL COMMUNITY

In its relations with the market, Intesa Sanpaolo adopts a specifically transparent form of conduct, especially with regard to annual and interim financial results and to Group strategies. This also takes place via meetings with the national and international financial community, in a framework of constant dialogue with the market based on fair and timely communication.

During 2021, communications with the financial community continued to focus on sustainable profitability and the Group's solidity as a firm point of reference for stakeholders. To guarantee access to all, again in 2021 this information was made available quickly, easily and economically through a number of channels like Internet and conference calls via a freephone number. The Investor Relations section of the website [\[I\]](#) has a well-organised content and thematic updates providing Stakeholders with extensive, systematic information.

In order to contribute to the creation of sustainable value over time, regular and frequent meetings were held with the financial community that consolidated long-term relations based on mutual trust.

Special attention was also paid to ESG investors, with dedicated events and road-shows. More specifically, during 2021, ESG & Sustainability promoted specific initiatives, including responding to 22 assessments from investors and analysts on ESG and climate change issues, and holding 50 meetings with 87 parties including investors and analysts focusing on sustainability, in collaboration with Investor Relations and Investor Coverage.

At the end of 2021, Intesa Sanpaolo adopted a Policy for the management of dialogue with investors, consistent with the new Corporate Governance Code and recent banking supervisory provisions on corporate governance. The initiative is also in line with the guiding principles of EU law aimed at encouraging the long-term engagement of the shareholders in companies listed on regulated markets (SHR-II Directive) and, in particular, of institutional investors and asset managers. The main objective of the Policy is to define the principles that specifically govern the dialogue of the Company's Board of Directors with investors (meaning investors, including potential investors, other than individuals and, in the case of individuals, only the holders of Intesa Sanpaolo shares) and proxy advisors.

INTESA SANPAOLO STOCK PERFORMANCE

The performance of Intesa Sanpaolo ordinary shares in 2021 mirrored that of the banking sector indices, with a downward trend in January, when the share price reached its low, a marked growth in February, a subsequent upward trend until the beginning of June and then a downward trend until the middle 10-day period of July, which was followed by a progressive growth until mid-October, when the high point was reached, a sharp decline in November and a partial recovery in December, which brought the share price to end the year up 18.9% on the end of 2020.

Intesa Sanpaolo's capitalisation rose to 44.2 billion euro at the end of 2021, from 37.2 billion euro at the end of 2020.

SHAREHOLDERS' MEETING

For Intesa Sanpaolo, Shareholders' Meetings are one of the main opportunities for contact and dialogue with shareholders, as well as important occasions for the disclosure of news, in accordance with the principle of non-selective disclosure and rules on price sensitive information. At the same time, the Shareholders' Meeting represents for shareholders an opportunity for active participation in the Bank's operations and a chance to express their opinions, through the methods and on the topics envisaged by law and by the Articles of Association.

Intesa Sanpaolo has always strived to encourage the broadest possible participation in the Shareholders' Meetings and to guarantee the best quality standards for the information provided in order to realise the full potential of the meeting.

The Shareholders' Meeting is called by the Board of Directors whenever it is deemed appropriate, or upon request by Shareholders representing at least one twentieth of the share capital.

The Shareholders' Meeting may also be called by the Management Control Committee, where required for the fulfilment of its duties, subject to sending notice thereof to the Chairman of the Board of Directors.

During the financial year 2021, the Shareholders' Meeting met on two occasions, on 28 April in ordinary and extraordinary session and on 14 October in ordinary session.

RIGHT TO ATTEND AND VOTE

Each share gives the right to attend and vote at Ordinary and Extraordinary Shareholders' Meetings (each share carries one voting right).

Sustainability Governance

The strategic guidelines and policies on sustainability/ESG (Environmental, Social, Governance) are approved by the Board of Directors with the support of the Risks Committee, taking into account the objectives of solid and sustainable creation and distribution of value for all Stakeholders.

The main ESG responsibilities of the Intesa Sanpaolo Bodies and Structures are specified below.

Board of Directors	With the support of the Risks Committee, the Board of Directors approves the Code of Ethics and its updates as well as the strategic guidelines and policies on sustainability (ESG), including the social and cultural responsibility model and the fight against climate change, taking into account the objectives of solid and sustainable creation and distribution of value for all stakeholders. With the support of the Risks Committee, it also approves the CNFS, ensuring that it is drafted and published in compliance with applicable regulations.
Risks and Sustainability Committee*	The Risks and Sustainability Committee supports the Board in assessing and analysing sustainability issues (ESG) related to the Bank's operations and in approving the strategic guidelines and policies on sustainability, including the social and cultural responsibility model and the fight against climate change, helping to ensure the best possible risk monitoring and taking into account the objectives of solid and sustainable creation and distribution of value for all Stakeholders. It also supports the Board in the approval of the Code of Ethics and the CNFS, in particular by examining the contents of the materiality matrix, which identifies the most potentially relevant issues in the area of sustainability.
Management Control Committee	With the support of the functions responsible for sustainability (ESG) and internal auditing, the Management Control Committee monitors compliance with the principles and values contained in the Code of Ethics. With regard to the CNFS, it monitors compliance with the provisions set out in Italian Legislative Decree no. 254/2016 and reports on this in its annual report to the Shareholders' Meeting.
Managing Director and CEO	The Managing Director and CEO governs the sustainability performances and has the power to submit proposals to the Board for the adoption of resolutions within his remit.
Steering Committee	The Steering Committee is a managerial committee headed by the Managing Director and CEO, including his first reports i.e. the heads of the Governance Areas and of the Business Divisions. It collaborates in the identification of sustainability issues (ESG) that are potentially relevant for the definition and updating of the materiality matrix. Taking into account the objectives of solid and sustainable creation and distribution of value for all Stakeholders, it collaborates in the definition of strategic guidelines and sustainability policies (ESG), including the model of social and cultural responsibility and the fight against climate change, which the Managing Director and CEO submits to the relevant Board Committees and the Board of Directors. It also examines the CNFS prior to its presentation to the Board. In order to review these issues, the Committee meets at least quarterly as part of the Business Plan and Sustainability (ESG) session. It is also tasked with guiding the consistency of technological development, with specific reference to artificial intelligence/machine learning, with the Group's ethical principles.
ESG Control Room	The ESG Control Room is headed by the CFO Area and the Strategic Support Head Office Department and relies on the Sustainability Managers, identified in each Area and Division, who guarantee an overall and integrated supervision of ESG initiatives for the relevant scope and contribute to the Group's strategic proposition on these issues. It was introduced within the ISP4ESP Programme and active since October 2020. The ESG Control Room supports the Steering Committee - Business Plan and Sustainability (ESG) Session - in the strategic proposition relating to ESG issues; it takes care of the operational coordination for the implementation of the most relevant ESG initiatives and assesses the opportunity and solidity of any new initiatives in this area.
ESG & Sustainability	ESG & Sustainability, within the Financial Market Coverage Department of the Chief Financial Officer Governance Area, oversees the process related to the definition, approval and updating of the ESG and sustainability guidelines, in line with the corporate strategies and objectives and contributes, in coordination with the ESG Control Room, to supporting the Steering Committee in the preparation of proposals for strategic guidelines and sustainability policies (ESG); it oversees the promotion and implementation of ESG and sustainability aspects in the Group's strategies and operations, including Climate Change issues, also in collaboration with other structures; it updates the Code of Ethics and monitors its application with the support of the Chief Audit Officer functions; it is in charge of ESG and sustainability reporting (e.g. CNFS, TCFD Report and other publications on ESG and sustainability matters); it oversees relations with the financial community in relation to ESG and sustainability issues; it oversees the stakeholder engagement process in relation to ESG and sustainability issues; it takes care of communication and disclosure activities, in coordination with the ESG Control Room, and is responsible for defining the Group's training requirements on ESG and sustainability issues, including in collaboration with the other competent corporate functions.

* The new name will become effective as of the next date of renewal of the Bodies.

The sustainability/ESG governance system is based on the involvement, not only of the Board of Directors, but also of the Committees that support the assessment and in-depth analysis processes related to ESG issues. In 2021, 25 meetings of the Board of Directors were held, 15 of which dealt with, among others, ESG issues including but not limited to: the updating of the Rules on transactions with parties operating in the weaponry sector; the updating of the Guidelines for the governance of the Group's Most Significant Transactions; the Fund for Impact; Diversity & Inclusion - Gender Equality and application of the Principles; the annual verification of gender neutrality of the Group's Remuneration Policies; the 2020 Consolidated Non-Financial Statement pursuant to Legislative Decree no. 254/2016; the 2020-2021 Task Force on Climate-related Financial Disclosures Report; the Net Zero Commitment and the ECB Action Plan relating to the management of climate and environmental risks.

Moreover, 52 meetings of the Risks Committee were held in 2021, 11 of which included ESG issues on their agenda. Within them, 6 items on the Agenda referred to climate change risks and the Commitment to Net Zero, while 1 item on the Agenda was reserved for Diversity & Inclusion issues. More specifically, the ESG & Sustainability function periodically meets with the Committee to agree upon the approach and report on the progress of processes and activities related to sustainability and non-financial reporting. In 2021, it took part in 6 meetings with the Risks Committee (with the Management Control Committee also invited to 2 of them). In addition, ESG & Sustainability presented the Annual Report on the implementation and governance of the Code of Ethics to the Management Control Committee together with the Surveillance Body pursuant to Italian Legislative Decree no. 231/2001.

In addition, 20 meetings of the Steering Committee were held in 2021 (each divided into one or more sessions). In particular, the "Business Plan and Sustainability (ESG)" sessions, also dedicated to ESG issues, were held on 13 occasions, during which, for example, updates relating to the ISP4ESG programme, as well as many of the issues mentioned above, were addressed. The ESG Control Room also met 13 times in the year.

The Sustainability Governance is also strengthened by the role of the 17 Sustainability Managers retained by the ESG Control Room, identified in each Area and Division, who are tasked with coordinating the numerous ESG initiatives undertaken by the Divisions and Governance Areas and assessing new opportunities and cross-cutting projects in the ESG sphere accordingly. In particular, within the scope of the International Subsidiary Banks Division, an ESG governance model was defined in 2021 that is consistent with the diversity and specificities of the reference territories and in line with the Parent Company's approach. In addition to the creation of a dedicated team working alongside the Head Office Sustainability Manager, each Bank appointed an ESG manager, usually coinciding with the deputy CEO, and set up an ESG team reporting directly to him/her.

To this effect, two strategically significant projects for the Group were carried out in 2021: the ISP4ESG programme, already launched in 2019, and the ESG Reporting project.

The ISP4ESG internal programme, conceived with a view to consolidating the Group's leadership in terms of sustainability, achieved important results in 2021. This project, to be considered as a wide-ranging and high-impact initiative, led by the CFO area in coordination with the Strategic Support Department, involves all the different Group structures and aims to integrate ESG logics into the Bank's business model and strategy and make a real impact within the company and on society as a whole. The main activities carried out in 2021 were as follows:

- Definition of an ESG/Climate Credit Framework consistent with sustainability regulations, based on the sector mapping of the Group's loan portfolio from an ESG perspective carried out in 2020. This framework leads to reconsider the loan disbursement process, overcoming a logic limited to policy definition and also introducing considerations related to ESG/Climate issues at sectoral, counterparty and product/transaction level (ESG Project/Climate Credit Framework);
- Response, together with the Institutional Affairs structure, to the ECB requests relating to the management of climate and environmental risks (self assessment, gap analysis, action plan) and monitoring of the related activities;
- Assessment of the implications and the steps required to join the Net-Zero Alliance by all Group Divisions: content, communication methods and timelines; definition of target setting activities on high-emission sectors;
- Proposal for the 2022/2025 Group ESG Plan;
- Continuation of the activities carried out by the ESG Control Room and management of the steps required to share the afore-mentioned initiatives;
- Continuation of the development of new methodologies and guidelines shared at Group level on Sustainable Investments, aimed at incorporating ESG factors in the offering of investment products, through the coordination of regulatory compliance and the implementation of evaluation models that also take into account ESG factors in the investment proposals to customers;
- Coordination and development of activities for the dissemination of the ESG culture identified as an enabling factor. A basic ESG training course was released for the Group's people, available on the e-learning platform completed by 38,500 people.

The constant evolution of European regulations on ESG reporting and sustainability, including the Corporate Sustainability Reporting Directive (CSRD) proposal, the EBA Guidelines on ESG Reporting, the EU Taxonomy (and related disclosure obligations), the Sustainable Finance Disclosure Regulation (SFDR), the ECB guide on the management of environmental and climate risks, together with the requirements arising from adherence to the various voluntary reporting standards (TCFD, SASB, PRB, WEF - in September 2021, the Bank undertook to adopt and implement the Stakeholder Capitalism Metrics developed by the World Economic Forum), led Intesa Sanpaolo to launch, in August 2021, a project focused on Group ESG Reporting.

The project, which pursues the ambitious goal of creating an integrated and transversal approach to Group ESG Reporting capable of addressing the new regulatory requirements and emerging best practices, involved several Group structures and companies. The first phase of the project, organised in 4 working groups, focused on an overall gap analysis and on the definition of an action plan in relation to the evolution of ESG regulations and the frameworks and standards applied to ESG reporting in order to design the necessary measures for the fulfilment of the 2021 regulatory reporting requirements in the CNFS, with particular reference to the definition of a methodological approach to the calculation of the Green Asset Ratio (GAR) and all the other KPIs and information required by Art. 8 of the EU Taxonomy Climate Delegated Act. The second phase, which is scheduled to be launched in 2022, will be dedicated to the implementation of “target” measures.

TRAINING AND PROMOTION OF ESG CULTURE

ESG training within the Intesa Sanpaolo Group is structured on a base level, cutting across the various issues and the Divisions and Governance Areas, and managed within the ISP4ESG programme, and an in-depth or specialist level, on individual issues, curated by the Divisions and Governance Areas concerned. Overall, in 2021 over 74,300 Group’s people (77% of the total) received 700,000 ESG training hours (14% of the total), almost twice compared to 2020, with over 9 million accesses to digital platforms (Apprendo, Myla and Management School). A specific App is dedicated to structure heads, namely the Management School, which, through a catalogue of 5 hours on topics ranging from diversity and inclusion to smart working and ethics, from circular economy to environmental sustainability, intends to support them also with the integration of sustainability criteria in their managerial activities and in raising awareness among their resources. In 2021, the Management School ESG content was accessed by 1,165 users for a total amount of 70 hours.

The promotion of the sustainability culture also takes place through a collection of online training modules (e.g. videos) on the values and principles set forth by the Code of Ethics; the collection, launched in 2018, at the end of 2021 included 15 training modules reflecting its values and principles within Intesa Sanpaolo, dealing with topics such as expected conduct towards Stakeholders, human rights, financial inclusion, sustainable investments and the climate change challenge. In 2021, the training modules were accessed by almost 4,700 users on average, with a maximum of around 10,500 users for the course dedicated to “Principles of conduct in customer relations”.

The training activities conducted within the various Divisions serve the dual purpose of providing and strengthening the technical skills for the performance of specific tasks and, more generally, contributing to the dissemination of the sustainability culture throughout the Group.

With this dual purpose, the IMI Corporate & Investment Banking Division continued the process undertaken in 2020 which involved all the Departments in a continuous exchange of information within the same Division and with the other structures and in the creation of a pool of resources focused on the ESG sphere, then called upon to act as “ambassadors” in their respective structures. In particular, a schedule of dedicated webinars involved and raised awareness among the Boards and employees of Intesa Sanpaolo Ireland, Intesa Sanpaolo Bank Luxembourg, Intesa Sanpaolo Brasil - Banco Multiplo, and a specific course dedicated to Banca Intesa Russia is currently in the process of being planned.

Within the Insurance Division, the entire corporate population was involved in ESG training activities in 2021. In particular, two webinars dedicated to sustainability issues, which garnered high interest, specifically addressed certain behaviours that in everyday life contribute to the achievement of the “Sustainable Development Goals” (SDGs) and that generate a positive impact on climate change. The webinars aroused high interest with the participation of around 160 employees.

Thanks to the active cooperation between the Intesa Sanpaolo Group and research centres, including CeTIF - Centro di Ricerca su Tecnologie Innovazione e Servizi Finanziari (Research Centre on Innovation Technologies and Financial Services), some meetings/workshops focused on the impacts of ESG issues and the opportunities to be seized for the insurance sector were organised during the year. As part of the Division’s induction process for new resources, a specific focus on ESG issues characterised in particular the meeting dedicated to Intesa Sanpaolo Life products entitled “Il caring del Cliente: la nostra prospettiva” (Customer care: our perspective).

During the year, the Fideuram - Intesa Sanpaolo Private Banking Division, also with a view to supporting the expansion of the ESG product offering, launched a number of educational and training activities, including:

- an ESG training course, in collaboration with some of the most prestigious Italian universities, dedicated to the Private Bankers of the Fideuram and Sanpaolo Invest Networks, including a skills certification test at the end;
- a webinar focused on the Circular Economy dedicated to the Intesa Sanpaolo Private Banking Network which was attended by around 1,100 Private Bankers;
- a schedule of six meetings for the Division's Top Management, conducted in collaboration with Intesa Sanpaolo's Institutional Affairs Department, focused on the evolution of EU regulations on ESG issues;
- a remote ESG training course on the Appendo platform with a duration of approximately 3 hours, targeted at an audience of 1,800 Division employees as part of the mandatory CONSOB training.

In 2021, some ESG courses were also held within the Asset Management Division (Eurizon), which mainly concerned topics such as active share ownership and the investment process; the Dialogue between the economy, markets, sustainability and products; ESG Glossary. Furthermore, accredited courses were held in order to maintain ESG Certifications in compliance with Efpa Italia standards.

Lastly, the mandatory course "Presidi adottati in tema di Sostenibilità" (Safeguards adopted on the subject of Sustainability) involved 400 employees of the Asset Management Company. Aside from providing a regulatory overview, the course outlined the direction taken by the market and the actions launched by Eurizon, in addition to an overview of ESG products.

In 2021, the International Subsidiary Banks Division undertook a number of activities to increase awareness and knowledge of ESG issues with initiatives and courses, which involved various corporate functions in the subsidiaries and at the Head Office of the Division. The main objective was to support the change and create specific ESG skills in the functions most involved in the different projects. The main topics of the initiatives carried out included: ESG, ESG risk in lending activities, sustainable finance, efficiency and energy saving. September marked the launch of the "Leading the ESG journey" programme, developed by the Management School and dedicated to the entire managerial cluster of the Division, involving around 60 managers from the Head Office in Italy and 900 from the Banks.

With reference to ESG Risk training, two initiatives were launched in 2021 concerning risk management and management of lending activities. The first one targeted at responsible functions involved 63 participants (60 from subsidiaries and 3 from Italian Head Offices), while the second one, aimed at a cross-sectional target and in e-learning format, involved over 1,300 persons.

ESG COMMUNICATION

During the year, internal communication in the sustainability area was strengthened through the publication of news on the company Intranet, with the aim of contributing to raising awareness and disseminating ESG culture at all company levels. The subjects of the communications included participation in important events (e.g. World Environment Day, Asvis Sustainable Development Festival, the second anniversary since joining the PRBs, SRI Week), results relating to the inclusion of Intesa Sanpaolo in rankings and sustainability indices, the publication of policies (e.g. in 2021, the reports on Coal and unconventional Oil & Gas) and reports (annual and half-yearly CNFS, TCFD Report), commitment to national and international initiatives (the latest and most significant of which was Net Zero against climate change), as well as the most important commercial initiatives such as S-Loans, the Circular Economy credit plafond and Green Bond issues.

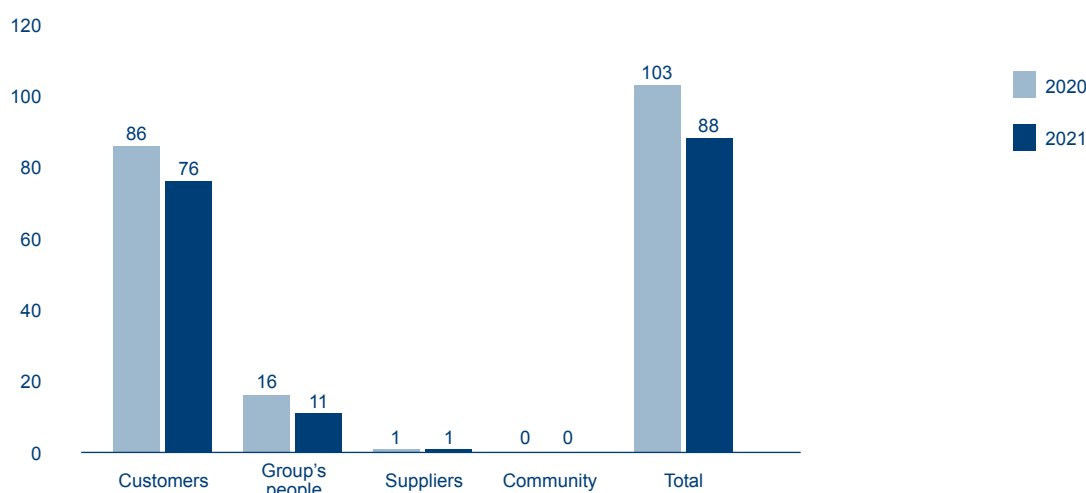
Special attention is paid to the sustainability section of the corporate website which includes, in addition to reporting the news described above, the description of the Group's commitment to the various Stakeholders and in line with the material issues. During 2021, the section underwent a first review aimed above all at improving the presentation of the Group's objectives and results in the most relevant sustainability areas. The main results were also included in an interactive summary version of the Consolidated Non-Financial Statement and the most important indicators of a non-financial nature were collected on a single page, downloadable in Excel format. In 2021 these actions allowed the Group to rank first in Europe and Italy in the Lundquist/Comprehd Webranking rankings for the transparency and effectiveness of its sustainability reporting.

IMPLEMENTATION AND GOVERNANCE OF THE CODE OF ETHICS

The Code of Ethics is the self-regulatory document adopted by all the Group companies and is an integral part of the Sustainability management model; it sets out the values and principles that govern relations with Stakeholders, referring, for some particularly important areas (e.g. human rights, employment protection, environmental protection, fight against corruption), to rules and principles that are consistent with the best international standards. The Code's implementation and governance mechanism is based on the following cornerstones:

- The principle of self-responsibility, where each structure is directly responsible and ensures adherence to the values and principles of the Code, setting the related objectives and action plans and, where appropriate, appointing a contact and Sustainability Managers.
- The commitments set out in the Code are given practical expression in the annual reporting process (Consolidated Non-financial Statement), which presents the management policies and procedures, initiatives, indicators and objectives for the issues relevant to the Stakeholders and the business. The process was reinforced by the half-yearly non-financial reporting in 2021 as well. Furthermore, a specific report was published and a specific publication on the climate (TCFD Report) was added in October 2021.
- The analysis and subsequent certification of corporate social responsibility governance by an independent third party in accordance with the principles and contents of standard ISO 26000, published annually on the website [1]. The Governance assessment is conducted according to the UNI PdR 18:2016 methodology on the Group's Italian and international perimeter and assessed with a score on a scale from 15 to 45. This assessment is supported by an analysis carried out with respect to each topic resulting from the materiality analysis, which is assigned a score from 1 to 5. In 2021, the overall Sustainability Governance assessment confirmed the highest rating, namely "Consistent and excellent", corresponding to the maximum score of 45. For the second consecutive year, the assessment highlighted a complete maturation of the Group's sustainability governance process, with the Control Room dedicated to ESG issues becoming fully operative. In particular, Italy's score showed an increase in relation to 3 topics (Sustainable investments and insurance; Retention, enhancement, diversity and inclusion of the Group's people; Service quality and customer satisfaction) bringing the number of topics that reached the highest score (5) to 9. The integration of ESG issues into cross-cutting processes (human resources management, health and safety, management of direct impacts on the environment, prevention of corruption) continued to be mature and complete. Further progress was made to strengthen the synergy with International Subsidiary Banks, creating, where possible, functional reporting to the head office department. In relation to the International Subsidiary Banks, there was an improvement in relation to all the topics, except for Employment protection, which maintained the same rating as the previous year. Still at an international level, a systemic approach emerges, capable of expressing objectives, action plans and monitoring in relation to the achievement of the preset targets.
- The Code of Ethics includes the option to address reports of alleged non-compliance with the provisions laid down therein. The management of the aforesaid cases of non-compliance falls within the remit of the ESG & Sustainability structure which, following the necessary checks, replies in collaboration with the structures concerned, ensuring to protect the reporting parties from any form of retaliation, discrimination or penalisation, and guaranteeing the utmost confidentiality, without prejudice to obligations laid down by the law. In 2021, 88 reports were received, down from the previous year (103 in 2020): 78 were received in Italy and 10 from abroad. The highest number of reports came from customers (76), followed by those from employees (11). The category having the greatest impact in the area of customer complaints concerns the difficulty of access to branches or online services by people with disabilities (19 reports); 17 reports concern operating issues often connected with communication problems with foreign customers. 4 requests were received from customers in relation to the Diversity and Inclusion Policy and regarding the inclusion of people with disabilities and the request for inclusiveness in corporate communications. The Group's people sent 11 reports, 4 of which from abroad; the most strongly felt topic was tensions in the workplace, often exacerbated by the complexities imposed by the pandemic. Non-discrimination issues were constantly and carefully monitored in 2021 as well.

Alleged non-compliance reports with the Code of Ethics by Stakeholder



- Finally, the last cornerstone for the implementation and governance of the Code of Ethics is represented by the initiatives for the dissemination of the sustainability culture through internal and external training and communication activities (see the paragraphs on Training and promotion of ESG culture and ESG communication).

Compliance with the principles and values of the Code of Ethics was monitored with the support of the Chief Audit Officer, so that it could be reported annually to the Management Control Committee and the Surveillance Body pursuant to Italian Legislative Decree no. 231/2001. Checks were conducted on 11 risk areas (for a total of 44 audits) that also considered social and environmental responsibility aspects and implications including:

- Governance of ESG projects and initiatives (transversal audit);
- Transactions with Related Parties and associated entities;
- Personnel remuneration and incentive systems (in various Group companies);
- Research and Development Special Fund reporting;
- Monitoring of acquisitions under centralised management;
- Checks on loan disbursement activities on specific sectors or business areas, in correlation with the ongoing pandemic emergency (“Management of COVID-19 moratoria”) or with environmental requalification incentives (e.g.: Superbonus, Ecobonus bonuses and other tax incentives in the construction sector);
- Management of loans to innovative start-ups (focus on customers of the Banca dei Territori Division);
- Evolution of social impact initiatives under the Impact Fund (mainly with regard to aspects related to financial inclusion) and pledge lending business analysis;
- Analysis of consumer protection and claims management activities in Prestitalia (again with regard to aspects related to financial inclusion);
- Assessment of the governance and business model processes of Intesa Sanpaolo Innovation Center;
- Customer complaints management activities (on various Group companies) and in general measures aimed at assessing the service quality (e.g.: focus on the order acquisition process from Private customers);
- Assessment, in the context of the analysis of “corporate” lending transactions, of the correctness of the procedures adopted for specific transactions in sensitive sectors (Oil & Gas, Gaming, energy production, weaponry sector);
- Within the Banca dei Territori Division, personnel management and reallocation in relation to the integration with the UBI Banca Group, and introduction of smart working for Network personnel;
- Opening and management of relations with institutional customers in IW Bank;
- Analysis of the methods for disposal of some scrapped goods (UbiLeasing).

Management of environmental, social and governance risks

The Group has implemented specific processes and responsibilities to understand and manage risks in such a way as to ensure long-term business solidity and continuity, extending the benefits to its Stakeholders.

Below is an overview of the main ESG risks that are significant due to their potential impact on company activities and the related mitigation measures.

The following sections go into more detail and describe the main controls relating to some of the risks identified in the table below.

Issue	Potential risk	Potential impacts	Mitigation measures
Integrity in corporate conduct	<p>Compliance risks with applicable legislation (corruption, money laundering, taxation, free competition, privacy, labour law) and ineffective response to regulatory changes</p> <p>Risk of providing employees with insufficient or no training</p> <p>Reputational risks</p>	<p>Fines and penalties, limitations to conducting business</p> <p>Damage to reputation and brand</p>	<p>Compliance system divided into different levels to monitor the compliance risk, with specialised functions</p> <p>Internal control system</p> <p>Definition of corporate internal regulations</p> <p>Admission to the cooperative compliance scheme with the Italian Revenue Agency</p> <p>Specialist training for employees</p> <p>Introducing a whistleblowing system</p> <p>Guidelines for the governance of environmental, social and governance risks concerning lending operations and associated self-regulation policies for sensitive sectors</p> <p>Adherence to UNEP FI's Principles for Responsible Banking (PRB)</p>
Service quality and customer satisfaction	<p>Unfair commercial practices</p> <p>Inadequate customer service levels</p> <p>Inadequate customer communications</p> <p>Loss of access to services</p>	<p>Customer dissatisfaction with loss of competitiveness, customers and market shares leading to reduced profitability</p> <p>Disputes and complaints</p> <p>Fines and penalties</p> <p>Damage to reputation and brand</p>	<p>Model focussing on the level of service, on personalised advisory services, and on transparency</p> <p>Process of clearing for new products and services</p> <p>Careful and proactive management of complaints</p> <p>Dialogue with Consumer Associations</p> <p>Initiatives aimed at ensuring accessibility to services</p> <p>Business continuity plan</p>
Innovation, digital transformation and cybersecurity	<p>Ineffective transition from traditional to digital channels</p> <p>IT risk</p> <p>Business continuity in the event of an emergency, blocking or malfunctions</p>	<p>Loss of competitiveness, customers and market shares leading to reduced profitability</p> <p>Disputes and complaints</p> <p>Fines and penalties</p> <p>Damage to reputation and brand</p>	<p>Prevention of IT risk</p> <p>Careful assessment of emerging risks</p> <p>Development of an innovative offering/solutions</p> <p>Physical network integration with online structures</p> <p>Dissemination of the digital culture</p> <p>Innovations aimed at ensuring accessibility to services for people with disabilities</p>
Financial inclusion and supporting production	<p>Inadequate offering of products/services to customers</p> <p>Reputational risks</p>	<p>Loss of competitiveness, customers and market shares leading to reduced profitability</p> <p>Damage to reputation and brand</p>	<p>Offering development in favour of financial inclusion for vulnerable people</p> <p>Development of solutions in support of the third sector</p> <p>Offering development to support production</p>

Issue	Potential risk	Potential impacts	Mitigation measures
Sustainable investments and insurance	<p>Assessment and control of ESG risks in the investment portfolios</p> <p>Investments in controversial sectors</p> <p>Reputational risks</p> <p>Failure to comply with regulations</p>	<p>Loss of competitiveness, market shares and customers who are conscious of ESG aspects, leading to reduced profitability</p> <p>Damage to reputation and brand</p> <p>Fines and penalties</p>	<p>Integration of ESG factors into the Investment process</p> <p>Development of the range of ESG funds</p> <p>Company engagement activities</p> <p>ESG training</p> <p>Internal control system</p> <p>Subscription to Principles for Responsible Investment (PRI) and Principles of Stewardship</p> <p>Subscription to Principles for Sustainable Insurance (PSI)</p>
Community support	Reputational risks	Damage to reputation and brand	<p>Development of investments and partnerships with a social impact in the community</p> <p>Development of training and work projects for the next generations</p> <p>Initiatives supporting the promotion of culture for social cohesion</p> <p>Development of institutional initiatives in support of the community</p>
Employment protection	Conflicts and related labour dispute risks	<p>Disputes</p> <p>Strikes with impacts on service continuity for customers</p> <p>Employee dissatisfaction with impacts on productivity</p>	<p>Responsible management of corporate restructuring processes, with the reallocation of employees to other activities</p> <p>New hires to promote generational change</p> <p>Management of labour dispute risks</p> <p>System of labour relations</p>
Retention, enhancement, diversity and inclusion of the Group's people	<p>Inadequate employee enhancement and motivation</p> <p>Incapacity to acquire and maintain talents</p> <p>Termination of the employment relationship with managers holding relevant roles</p> <p>Insufficient focus on diversity and inclusion issues</p>	<p>Employee dissatisfaction with impacts on productivity</p> <p>Lack of adequately trained and qualified personnel</p> <p>Inadequate customer service levels</p> <p>Damage to reputation and brand</p>	<p>Investments in training activities</p> <p>Talent management programmes</p> <p>Recognition of employees' merit</p> <p>Succession plans for business continuity</p> <p>Initiatives to enhance diversity and inclusion, including training with a specific focus on the topic</p> <p>Diversity & Inclusion Principles</p> <p>Sexual orientation and identity diversity regulations</p> <p>Rules for combating sexual harassment</p> <p>Adhesion to "Women's Empowerment Principles"</p>
Health and safety of customers and employees	<p>Accidents in the workplace</p> <p>Occupational diseases</p> <p>Risks associated with the COVID-19 pandemic</p> <p>Robberies</p>	<p>Employee dissatisfaction with impacts on productivity</p> <p>Damage to persons arising from the COVID-19 pandemic</p> <p>Damage to persons and objects during robberies</p> <p>Damage to reputation and brand</p>	<p>Health and safety training</p> <p>Certification of the health and safety management system (ISO 45001) in all branches and buildings in Italy</p> <p>Assessment and management of infection risk</p> <p>Risk assessment for workplaces and work processes</p> <p>Development of specific organisational, training, technical and medical solutions to combat the COVID-19 pandemic</p> <p>Preventing and combating robberies</p>

Issue	Potential risk	Potential impacts	Mitigation measures
Employee well-being	Inadequate employee motivation Work/life balance difficulties	Employee dissatisfaction with impacts on productivity Loss of skills as result of employee exits	Risk assessment of subjective and social conditions Assessment of work-related stress Work-life balance initiatives Offering of solutions for welfare and quality of life in the company Development of climate surveys
Transition to a sustainable, green and circular economy	Management of social and environmental risks in loans Transactions or loans in controversial sectors Reputational risks	Loss of competitiveness, market shares and customers who are conscious of ESG aspects, leading to reduced profitability Problematic loans or need for provisions Damage to reputation and brand	Assessment of ESG, climate change and reputational risks within the Risk Appetite Framework Rating model which also includes intangible aspects of companies Risk clearing processes which include environmental, social and governance aspects Equator Principles for project finance Guidelines for the governance of environmental, social and governance risks concerning lending operations and associated self-regulation policies for sensitive sectors Opinions involving the assessment of social-environmental factors Inclusion of ESG factors into the credit framework Development of a specific offering to facilitate the transition with dedicated plafond Employee and customer training and engagement Development of study and research projects

With reference to the topic "Climate Change", reference is made to the tables indirect/direct risks linked to climate change included in this paragraph and to the Climate Change chapter (page 195).

With reference to the topic "Group value and solidity", the risks and the related monitoring methods are part of the broader management framework of the Group's capital position and economic performance; for further information, reference is made to the Report on operations and the Consolidated Financial Statements of the Group.

The strengthening of the overall risk management system also involves the identification, understanding and monitoring of so-called emerging risks, i.e. risks characterised by components that are little-known or rapidly evolving, potentially significant in the medium term to the Group's financial position and business model, even though their effects are not easy to assess and cannot yet be fully integrated into the most consolidated risk management frameworks.

The identification of these types of risks derives primarily from the continuous analysis of the external environment and the main findings gathered by the risk management function as part of the risk identification activity, carried out within the Group on an ongoing basis in order to maintain constant alignment with the changing internal and external context and guarantee the adequacy of the controls and limits implemented to safeguard "Long term viability". This activity, in addition to being performed as part of the identification and assessment processes, also involves comparison with peers and with market best practices, as well as with the Bank's other control/business functions.

In this context, the growing digitalisation of the technological infrastructure and of the commercial offering, the increased automation of processes (e.g. through the introduction of robotics and/or artificial intelligence) and the introduction of new working methods have led a change in the nature of some risks. In particular, while not representing inherently new risks, significant potential exposure can be expected to:

- IT and Cyber risks, in relation to: (i) growing reliance on ICT systems and consequent increase in the number of users who make use of virtual channels and interconnected devices, (ii) exponential growth in the amount of managed data that must be protected and whose quality must be ensured (iii) greater use of IT services provided by third parties (Open Banking, Fintech, Cloud systems), (iv) low production costs of new attack techniques with the presence of organisations in possession of specific skills and experience;

- risks associated with the digital transformation process linked to the increase in competition induced by the digitalisation of the financial sector (e.g. entry of new competitors) and the vulnerabilities that still characterise the current operating context (e.g. digitalisation process costs, legacy system obsolescence, regulatory framework fragmentation);
- third party risk, in relation to a greater reliance on systems and services provided by third parties (both in relation to the outsourcing of business processes and to growing dependence on cloud or IT service providers in general).

The constant evolution of the operating environment, both internal and external, requires the current risk management frameworks to be constantly updated, in order to maximise their effectiveness in terms of identifying and mitigating the Group's potential exposure. To this end, a series of project initiatives were launched with the aim of optimising the Group's Digital Operational Resilience profile, particularly through the evolution of the current assessment processes towards more timely and "data driven" approaches.

Furthermore, with a view to effective monitoring of the evolution of these types of risks, in addition to accelerating the digitalisation process in order to increase long-term profitability and seize new business opportunities, the Group has continued to guarantee investments for:

- the continuous upgrading of Cybersecurity monitoring (including awareness-raising campaigns targeted at customers) in line with best practices and reference international standards, as well as for the progressive evolution of ICT systems (e.g. digitalisation of services, business insourcing, in-cloud service activation);
- the strengthening of third-party monitoring and control measures, also in consideration of the greater complexity of relationships;
- the evolution of the knowledge and skills of internal resources (e.g. Up-Skilling/Re-Skilling programmes, reinforcing awareness of ICT, Cyber, Third Party and ESG Risk issues).

For further information on cybersecurity, reference is made to the paragraph Innovation, digital transformation and cybersecurity (see page 112).

MONITORING OF ESG AND REPUTATIONAL RISKS

In accordance with its approach to sustainability/ESG and the principles outlined in the Code of Ethics, the Intesa Sanpaolo Group is aware of the importance of the correct and responsible allocation of resources, following social and environmental sustainability criteria. Therefore, it promotes balanced development that can redirect capital flows towards sustainable investments that balance interests like the preservation of the natural environment, health, work, the well-being of the whole community and the safeguarding of the system of social relations. As part of the risk management framework, the governance of ESG risk factors is outlined in the various primary risk categories (e.g. credit risk, market risk and operational risk) and develops in close integration with the oversight of reputational risk, enhancing the interconnections between these risk profiles. ESG risk, as the risk stemming from the potential negative impacts of a company or activity on the environment, people and communities, and also including risks related to corporate governance, may have impacts on profitability, on reputation and on credit quality and may entail legal consequences.

REPUTATIONAL RISK GOVERNANCE MODEL

The Intesa Sanpaolo Group attaches great importance to reputational risk, namely the current and prospective risk of a decrease in profits or capital due to a negative perception of the Bank's image by customers, counterparties, shareholders, investors and Supervisory Authorities.

The Group actively manages its image in the eyes of all stakeholders, by engaging all its Organisational Units and seeking robust, sustainable growth capable of creating value for all stakeholders. In addition, the Group seeks to minimise possible negative effects on its reputation through rigorous and comprehensive governance, proactive risk management and guidance and control of its activities.

The overall management of reputational risk is pursued primarily through:

- compliance with standards of ethics and conduct and self-governance policies. The Code of Ethics adopted by the Group contains the core values that Intesa Sanpaolo intends to commit itself to and sets out the voluntary principles of conduct for dealings with all stakeholders (customers, employees, suppliers, shareholders, the environment and, more generally, the community) with even broader objectives than those required by current legislation;
- the systematic, independent contribution by the company structures tasked with safeguarding the company reputation, which maintain relations with stakeholders, within their respective areas of responsibility;
- an integrated monitoring system for primary risks, to limit exposure to those risks, and to comply with the related limits contained in the Risk Appetite Framework¹ (RAF);

¹ The RAF represents the overall framework within which corporate risk management is developed, and is divided into (i) general principles of risk appetite; (ii) monitoring of the Group's Overall Risk Profile; (iii) monitoring of the Group's Main Specific Risks

- the Reputational Risk Management processes governed by the Chief Risk Officer Governance Area, which operate transversally across the corporate functions and in synergy with decision-making processes.

Those processes, which involve control, specialist and business functions, for various purposes, specifically include:

- the Reputational Risk Assessment, which seeks to identify the most significant reputational risk scenarios that the Intesa Sanpaolo Group is exposed to, is implemented annually and gathers the opinion of Top Management regarding the potential impact of these scenarios on the Group's image, in order to identify appropriate communication strategies and specific mitigation actions, where necessary;
- ESG & Reputational Risk Clearing, which is aimed at the ex-ante identification and assessment of the potential reputational and ESG risks associated with the most significant business operations, the main capital budget projects and the selection of the Group's suppliers/partners;
- Reputational Risk Monitoring, aimed at monitoring the evolution of Intesa Sanpaolo's reputational positioning (on the web, for example) also with the aid of external analyses.

The reputational risk governance model also includes an integrated compliance risk management system, as it considers compliance with the regulations and fairness in business to be fundamental to the conduct of banking operations, which by nature are founded on trust.

In order to safeguard customers' interests and the Group's reputation, specific attention is also devoted to establishing and managing customers' risk appetite, pursued through the identification of the subjective and objective traits of each customer. The assessments of adequacy during the process of structuring products and rendering advisory services are supported by objective information, that considers the true nature of the risks borne by customers when they undertake derivative transactions or make financial investments.

More specifically, the sale of financial products is also governed by specific preventive risk assessment from the standpoint of both the Bank (along with risks, such as credit, financial and operational risks, that directly affect the owner) and the customer (portfolio risk, complexity and frequency of transactions, concentration on issuers or on foreign currency, consistency with objectives and risk tolerance profiles, and knowledge and awareness of the products and services offered).

ESG RISK GOVERNANCE MODEL

The management of ESG risks requires considering not only the impacts of those risks on the Bank's organisation, but also the potential impact on stakeholders and the risks that the Bank exposes its stakeholders and the environment to through its operations.

The Group therefore adopts a holistic approach to ESG issues, which is based on:

- defining a Group ESG strategy in line with the guidelines provided by Corporate Bodies, supported by the internal governance structures: Intesa Sanpaolo aims to be a sustainable financial intermediary that generates value for communities, aware that innovation, development of new products and services and companies acting in a sustainable manner can contribute to reducing the impacts of phenomena such as climate change and social inequalities. To this end, it also takes active part in a wealth of domestic and international initiatives. (For further information, see paragraphs Strategy for combating climate change and Commitment to domestic and international initiatives and strategies for the United Nations Sustainable Development Goals);
- the management of sustainability issues in sensitive sectors through its own regulatory framework that includes the "Guidelines for the Governance of ESG Risks concerning lending operations" and voluntary conduct policies (e.g. "Principles on Human Rights", "Rules for the environmental and energy policy", "Rules for lending operations in the coal sector", "Rules for lending operations in the unconventional oil&gas sector" and "Rules governing transactions with subjects active in the armaments sector") also aimed at defining general and specific criteria for limiting and excluding lending operations in business sectors considered to be more exposed to ESG risks;
- the identification and management of potential direct and indirect impacts related to climate change and the development of metrics for the measurement of indirect impacts;
- the integration of ESG factors into the general Risk Management framework and in particular the provision, within the Risk Appetite Framework, of a specific section dedicated to ESG and climate change risks, which defines specific limits and criteria with respect to the financing of sectors and counterparties most exposed to such risks; the inclusion within the scope of the Credit Risk Appetite¹ of ESG elements and, among these, of an external score that rewards the production of sustainable products or services above a certain threshold in proportion to total turnover;

¹ Indicator helping relationship managers, in the credit origination phase, through the counterparty assessment process. This indicator is based on the rating and a number of risk and resilience factors aimed at evaluating the long-term risk of the counterparty.

- the adoption of a corporate rating model, validated by the ECB, which includes social and environmental elements (e.g. environmental certifications, research and development activities) that can lead to an improvement in the rating;
- the integration of ESG factors within the credit framework through the adoption of a sector mapping in terms of the potential impact of climate and ESG risks and the assessment of these risks within the ESG & Reputational Risk Clearing and Equator Principles¹ implementation processes. These assessments are especially important with reference to the financing of Corporate customers, particularly in relation to transactions with counterparties operating in sectors classified as sensitive from an ESG perspective by the "Guidelines for the Governance of ESG Risks concerning lending operations" and to transactions classified as Most Significant Transactions². The development of a counterparty ESG score is yet another method to support lending processes;
- the assessment of ESG factors relating to customer investments, within the Product Governance processes of the Parent Company and the subsidiaries and linked to Customer portfolio risk issues with a view to the Suitability of Investments with the Group's financial intermediaries;

Management of sustainability issues in sensitive sectors

In relation to the ESG risks associated with its business activities, Intesa Sanpaolo pays special attention to sustainability issues related to sensitive sectors, above all climate change and the environment.

In 2020, Intesa Sanpaolo published the "Guidelines for the governance of environmental, social and governance risks concerning lending operations". The purpose of these Guidelines is the definition of: 1) a list of "sensitive sectors"; 2) general criteria to limit and exclude loans in line with the definitions set out in the document; 3) detailed criteria applicable to individual sensitive sectors through the application of specific sector regulations. According to the company ESG risk regulations, the Group pledges not to finance companies or projects which stand out for their negative impact on:

- UNESCO World Heritage Sites³
- wetlands according to the Ramsar Convention⁴
- IUCN protected areas, categories I to VI⁵

The Bank also pledges not to finance companies or projects if, during the assessment of the transaction, they are discovered to be located in areas of active armed conflict, or if evidence - such as legal proceedings promoted by the competent authorities - emerges of violations of human rights and forced or child labour practices.

Among the sensitive business segments from an ESG perspective, the coal sector, the unconventional oil and gas sector and the arms production and trading sector are of particular importance and subject to specific internal regulations.

In particular:

- as regards the coal sector, the regulation, updated and made more stringent in 2021, defines the limits and exclusion criteria for the Group's lending operations in the segments of coal extraction and coal-fired power plants, supporting customers in their efforts to reduce their use of coal for the production of energy (phase-out) and encouraging the transition towards low carbon-intensity alternatives, such as renewable sources and gas. The Group also undertakes to phase out its exposure to counterparties belonging to the coal mining sector by 2025.
- with regard to the unconventional oil and gas sector, Rules were issued in July 2021 which define limits and exclusions for unconventional resources such as tar sands, shale/tight oil&gas and resources extracted in fragile ecosystems such as the Arctic region (onshore/offshore oil and offshore gas) and Amazonia (oil in the area known as Amazon Sacred Headwaters⁶). Specifically, the regulations prohibit the financing of projects aimed at the development, construction and expansion of activities involving the exploitation and extraction of unconventional resources and the related transport infrastructures. Furthermore, the Group undertakes to

¹ International Guidelines that financial institutions adhere to on a voluntary basis for the management of socio-environmental risks arising from project financing. The Principles are based on the criteria of the International Finance Corporation (IFC) of the World Bank (the Performance Standards), which concern, amongst other issues: the assessment of social and environmental impacts; the protection of workers' rights; the exclusion of child labour and forced labour; the prevention of pollution and the promotion of energy efficiency; risks to the health and safety of communities; the consultation of the populations concerned and protection of their rights; safeguarding biodiversity and the sustainable management of natural resources; and the preservation of cultural heritage.

² Transactions of great significance, within the Group or with single customers or counterparties, which could potentially have a significant impact on the overall risk profile and/or on specific risks of the Group.

³ List of sites officially recognised by the United Nations Educational, Scientific and Cultural Organisation (UNESCO). The sites are selected on the basis of their cultural, historical or scientific value, or other relevant aspects, and are legally protected by international treaties.

⁴ Convention that provides a framework for the conservation and sustainable use of wetlands and their resources. Almost 90% of UN member states have acceded to the Convention to become "Contracting Parties". One of the key pledges of the contracting parties is the identification and addition of suitable wetlands to the list of wetlands of international importance, also known as the Ramsar list.

⁵ List of protected areas which have been identified and classified (from category I to VI) by the International Union for Nature Conservation (IUCN), a membership union uniquely composed of government and civil society organisations. The categories are defined as follows: - I Strict protection [a) Strict Nature Reserve and b) Wilderness Area] - II Conservation and protection of ecosystems (e.g. National parks) - III Conservation of natural features (i.e. natural monuments) - IV Conservation through active management (e.g. Habitat / species management area) - V Conservation and restoration of landscape / seascape (e.g. Protected landscape/seascape) - VI Sustainable use of natural resources (e.g. protected area with sustainable use of natural resources).

⁶ Area understood as the drainage basin of the Amazon River, and of the Napo, Pastaza and Marañon rivers.

- phase out the exposures associated with these unconventional resources by 2030;
- with reference to the armaments sector, the new “Rules governing transactions with subjects active in the armaments sector”, issued in May 2021 and which apply uniformly to all Group companies and Banks, in accordance with the values and principles set forth in the Code of Ethics, expressly prohibited to undertake any kind of banking or lending activity related to the production of and/or trade in controversial weapons and/or those banned by international treaties and in particular: nuclear, biological and chemical weapons; cluster and fragmentation bombs; weapons containing depleted uranium; and anti-personnel landmines. Aware of the need to support national and European defence together with the allied countries in NATO, the Intesa Sanpaolo Group limits its banking and/or lending activity solely to operations that relate to the production and/or trade of military goods in countries belonging to the European Union and/or NATO. Operations in countries that do not belong to the European Union or NATO are also permitted but are submitted to an extraordinary approval process, subject to the existence of intergovernmental programmes with the Italian Republic. The other Group Banks and Companies are not authorised to undertake operations involving the production and/or trade of military goods. Only the Group International Subsidiary Banks can request specific and prior authorisation from the Parent Company if these operations concern military goods destined for permanent use by the armed forces and related bodies responsible for defence as well as the police forces of the country where the same Bank is located. The operations of the Group’s Branches and International Subsidiary Banks are also subject to local regulations, when they are stricter than the Group regulations.

Management of risks and potential impacts linked to climate change - development of metrics for the measurement of indirect impacts

The Chief Risk Officer Area and the Chief Financial Officer Area, with the support of the various Governance Areas and Divisions, work together in identifying and analysing the range of risks and opportunities related to climate change, in order to include them in the ordinary risk assessment and monitoring processes and the credit strategies, and to establish the objectives and guidelines aimed at implementing the actions designed to manage and mitigate those risks.

Key activities in climate risk management concern:

- the identification, assessment and measurement of such risks;
- the implementation, development and monitoring of a company-wide risk management framework, including risk culture, risk appetite and relative credit limits.

With reference to the disclosure related to climate risk management, since October 2018 Intesa Sanpaolo decided to support the recommendations of the “Task Force on Climate-related Financial Disclosures” (TCFD), progressively including information relating to risk management in the climate change area in its Consolidated Non-Financial Statement and Financial Statements. Furthermore, the first TCFD report [1] was published in 2021, to which reference should be made for a detailed representation of the topic.

The potential impacts, the related time horizon (short, medium, long) and the mitigation and adaptation actions taken for each potential risk observed are also identified annually, with reference to both indirect and direct risks.

Indirect risks related to climate change

Potential risks	Timeframe*	Potential impacts	Actions
<p>Transition Changes in public policies Technological changes Changes in customer/ consumer preferences</p>	Short/medium/long term	<p>Loans Reduction of business or increase in costs for customer companies with possible consequences on creditworthiness and solvency</p> <p>Asset management Consequences of climate change on companies in the portfolio with consequent possible reduction in the value of assets under management Documentary impacts Impacts on the offering of products and services to customers Impacts on internal and IT procedures Reputational impacts</p>	<p>Loans Assessment of ESG and climate risks on loans in sensitive sectors Inclusion of environmental risks when assessing creditworthiness Assessment of the materiality of ESG risks in business sectors Counterparty ESG scoring Implementation of self-regulation policies for the assessment and management of the socio-environmental risk of loans in sensitive sectors Energy transition support through funding to the Green Economy, Circular Economy and ecological transition Participation in Net-Zero initiatives with objectives to reduce financed emissions</p> <p>Asset management Assessment and control of ESG risks in the investment portfolios Implementation of sustainability self-regulation policies Participation in Net-Zero initiatives with reduction of the emissions associated with investments Active monitoring of evolving regulations and internal policies IT investments Adaptation of the range of products and services</p>
<p>Transition Changes in public policies Technological changes Changes in customer/ consumer preferences</p>	Short/medium/long term	<p>Reputational impact, negative perception from Stakeholders and in particular from SRI investors due to nil or inadequate management of such risks Possible exclusion from sustainability (ESG) indices or a worse ESG position or lower rating</p>	<p>Inclusion of environmental risks when assessing creditworthiness Implementation of self-regulation policies for the assessment and management of the socio-environmental risk of loans in sensitive sectors Stakeholder engagement initiatives Participation in international working groups on climate change issues Participation in Net-Zero initiatives with objectives to reduce financed emissions</p>

* 0-2 years short term; 2-5 years medium term; over 5 years long term

Potential risks	Timeframe*	Potential impacts	Actions
Transition Changes in environmental regulations Introduction of new greenhouse gas emission limits or new related reporting systems	Short/medium term	Loans Financial implications of environmental regulations and emission limits and/or taxes imposed on customers operating in certain economic sectors	Loans Offering of dedicated financial solutions and specialist advisory services for customers in the field of renewable energies and energy efficiency Participation in working groups and initiatives relating to climate change Active collaboration with policy makers to highlight the need for stable and clear environmental regulations
Transition Introduction of regulation on climate risks for the financial sector	Short/medium term	Reduction of Group revenues deriving from excessive exposure to more vulnerable sectors to climate risk	Inclusion of climate risk in risk management systems Rebalancing of portfolios Offering of products and services connected with transition
Transition Changes in customer/consumer preferences	Short/medium term	Reduction in Group revenues due to the increased competition generated by the growing demand for ESG products and the fall in demand for non-ESG services/products	Offering of products and services for the Green economy, Circular Economy and the ecological transition Green and ESG bond issues
Physical Extreme weather events (floods, heavy snowfall, whirlwinds)	Short/medium/long term	Financial implications for corporate and retail customers damaged by extreme weather events, with possible consequences on their creditworthiness and solvency	New subsidised loans intended to restore damaged structures Suspension or moratorium of repayments of loans issued to damaged customers Insurance products for damage caused by extreme climate events

* 0-2 years short term; 2-5 years medium term; over 5 years long term

With specific reference to the inclusion of climate change risk within the Risk Management Framework, special attention was paid from 2019 to 2021 to the development of stress test and scenario analysis methodologies. During 2021, the architectural and methodological preparation was begun also to support the “climate stress test” of the European Central Bank planned for the first half of 2022. The scenario analysis and stress testing framework is based on the following elements:

- a dedicated platform for measuring transition risk on the Large and Mid Corporate segments. The solution provides a bottom-up impact assessment on financial statements, that is, at single counterparty level, based on selected stress scenarios (generally coinciding with those set out in the NGFS - Network of Central Banks and Supervisors for Greening the Financial System Framework);
- a calculation engine, specifically developed to measure the transition risk of the SME portfolio. A top-down approach is used in this case, with estimates based on sector approximations (enriched with idiosyncratic adjustments, only where available, at single counterparty level). The model provides a series of financial statement projections for single businesses, though starting from the specific sector, exploiting specific scenarios in line with the requests to conduct the stress test required by the European Central Bank;
- the adoption of a specific approach to define the “long-term strategic response” in line with the achievement of the Group’s net zero targets.

Direct risks related to climate change

Potential risks	Timeframe*	Potential impacts	Actions
Transition Changes in environmental regulations	Short/medium term	Possible fines in the event of failure to comply with new regulations	Constant and precautionary monitoring of possible changes to national and European regulations
Transition Introduction of new greenhouse gas emission limits or new related reporting systems Increase in cost of raw materials	Short/medium term	Costs for upgrading heating and air conditioning systems and for new monitoring tools Costs related to eventual taxes connected with greenhouse gas emissions Increase in costs of energy supply	Own Emissions Plan implementation and monitoring Energy efficiency actions Increase in the use of renewable energy sources Preventive actions to replace old systems with next-generation systems with a low environmental impact, as well as consumption monitoring systems during the renovation of branches and buildings
Transition Changes in environmental regulations and standards that the Group voluntarily adheres to (ISO standards)	Short/medium term	Costs of changing the processes of certification in the event of changes to standards	Continuous and precautionary monitoring of possible changes in standards Participation in specific training courses and workshops
Physical - acute Extreme weather events (floods, landslides, heavy snowfall, whirlwinds)	Short/medium/long term	Possible damage to the Bank's infrastructure and possible disruption of activities	Precautionary assessment of the hydrogeological risks for buildings Adoption of a business continuity plan and measures to prevent/mitigate/manage physical damage to the Bank's structures
Physical - chronic Increase or reduction in average temperatures	Medium/long term	Increase in energy supply costs connected with greater heat or electricity consumption	Energy efficiency actions Increase in the use of renewable energy sources Preventive actions to replace old systems with next-generation systems with a low environmental impact, as well as consumption monitoring systems during the renovation of branches and buildings ISO 14001 and ISO 50001 certification for the management of environmental and energy issues

* 0-2 years short term; 2-5 years medium term; over 5 years long term

With reference to direct impacts, Intesa Sanpaolo is committed to analysing and containing possible risks on its properties as well as taking immediate action in the event of environmental disasters.

The Risk Assessment Document, which evaluates risks to workers' health and safety (Italian Legislative Decree 81/2008), also assesses hydrogeological risk due to flooding and landslides. The hydrogeological risk assessment of buildings is conducted both as a preventive measure and also following external events with a view to ensuring that the buildings involved meet all safety standards. Based on the provisions of the Italian Institute for Environmental Protection and Research (ISPRA, Istituto Superiore per la Protezione e la Ricerca Ambientale), which divides the territory into 5 hazard classes (very high P4, high P3, medium P2, moderate P1 and attention areas AA), more than 1,000 Intesa Sanpaolo buildings in Italy are subject to landslide and flood risk. For the Bank's assessment of flooding, the benchmark is based on the level of danger associated with a floodable area, and depends on the probability that the area can be flooded. With regard to landslides, on the other hand, the benchmark is also based on the level of danger (from P1 to P4) associated with an area subject to landslides, but depends on the relationship between the probability of occurrence of the event and its magnitude taking into account both the speed of the landslide's movement and the extent of its spread over the area.

These assessments, together with the daily analysis of Arpa's weather alert bulletins and the bulletins of the Department of Civil Protection on critical national and regional issues, enable the Intesa Sanpaolo Group in Italy to implement actions that take account of the effects of critical events connected with natural phenomena deriving from climate change, making it possible to manage different potential risk scenarios, indicated in the Emergency Plans, in order to mitigate and reduce their potential damage, particularly with regard to workers and Stakeholders.

The inspections on a sample of selected properties in areas of greater hydrogeological risk continued in 2021. This project was carried out with the aim of validating the methodology for the definition of a vulnerability index for the Bank's properties that can be used to identify priority action and analysis criteria in the event of emergency situations. Based on the results of these inspections, possible intervention measures to make the buildings safe will then be identified in order to prevent the occurrence of potential risk situations.

In addition, the tide bulletin is periodically consulted on the Venice branches affected by the "high tide" phenomenon emergency due to the rise in tide levels so as to allow prior notification to the competent structures for the activation of the procedures laid down in the specific Emergency Plans. In addition, a project was launched to update the specific risk analysis based on the implementation of the MOSE (Experimental Electromechanical Module) system in the municipality of Venice.

In general, with regard to all direct risks related to climate change, in Italy the CEM (Critical Events Management) is activated when the first bad weather alert is issued. CEM guarantees the continuous and precise monitoring of the situation and supports the overall coordination of the actions agreed to by the territorial structures, in constant connection with the relevant central structures.

In the case of very serious disaster situations, the Emergency Management Operations Centre of the Business Continuity Management Department is also activated, which monitors the situation and assesses whether to close facilities temporarily and to take any additional action.

In order to ensure business continuity in the areas most affected by the inclement weather, the crisis delegates of local and central structures are also activated for timely reporting of critical situations, with particular regard to delays in the transport of valuables and correspondence, difficulties for personnel in reaching their workplaces, operational issues and problems with branch physical plant.

The Context Analysis of the three schemes of certification for the Integrated Environment, Energy, Health and Safety Management System, aligned with the UNI EN ISO 14001:2015, UNI CEI EN ISO 50001:2018 and UNI ISO 45001:2018 standards, also took account of the risks connected with climate change. Some areas were identified, including environmental and security regulations, environmental and climatic conditions, credit access and financial inclusion, real estate, plant efficiency and maintenance, internal communication tools, for which the expectations of stakeholders were assessed, highlighting for each one strengths and weaknesses and ongoing or possible actions to mitigate a potential risk. For all highlighted risks, mitigation or risk acceptance actions were defined with the specific identification of the structures responsible for overseeing the actions according to a model that takes account of the value attributed to the impact and the probability of the risk occurring.

Moreover, the mapping of the exposure of further physical risks from Climate change of all bank assets will also start from 2022 as set out in the Bank's Business Plan. A scoring of exposure to the climate risk of Intesa Sanpaolo buildings is expected to get underway and projections and simulations of forecasting scenarios are expected to be carried out.

ESG and climate change risks within the scope of the Risk Appetite Framework

The Risk Appetite Framework (RAF) represents the general framework within which corporate risk management is developed.

In 2021, a dedicated section was introduced which brings together ESG, climate change and reputational risks, and which includes qualitative and quantitative elements. In particular, with reference to ESG & Climate risks, the “Group recognizes the strategic importance of ESG factors and the urgency of curbing Climate Change. The Group is committed to include the impact of these aspects in its strategic decision-making processes and to fully integrate them in its risk management framework with the goal of maintaining a low risk profile. The Group is committed to control how ESG and Climate Change impact existing risks (credit, operational, reputational, market and liquidity risk) and implement high ethical and environmental standards in internal processes, in products and services offered to customers and in the selection of counterparties and suppliers”.

The quantitative components envisaged in the ESG & climate change RAF concern the definition of credit exposure limits and KPIs/KRIs subject to assessment and monitoring. In particular, with a specific focus on climate change risk, the following safeguards were introduced in 2021:

- specific credit exposure limits with reference to the coal mining sectors, in line with the commitments undertaken in terms of phase out, and oil&gas;
- a shortlist of controversial companies, often responsible for operations classified as “dodgy deals”¹;
- quarterly monitoring of the Group’s credit exposure to the corporate sectors most exposed to the climate change risk on the basis of a sector ESG/climate heatmap developed within the ISP4ESG Programme.

In 2022, the safeguards described above will also be further enriched and strengthened in line with the Net-Zero targets adopted by the Group.

Within the RAF, the Credit Risk Appetite Framework is particularly important; in 2020, it was enhanced through the introduction of new climate and environmental risk/resilience factors relating to the energy class and environmental certifications of the financed customers. New risk/resilience factors were introduced in 2021 for Corporate and Large Corporate counterparties:

- the ESG and SGS (Sustainable Goods and Services) scores were introduced using data from an external supplier, contributing to a potential notch up/down of the counterparty’s risk class position;
- for counterparties where supplier data were not available, the potential notch up/down of the counterparty’s risk class was determined on the basis of answers to a qualitative questionnaire and environmental certifications.

As part of the 2022 Credit Risk Appetite, a further evolution of the risk/resilience driver was approved for Large Corporate and Corporate counterparties, with the aim of enhancing the assessment expressed by the ESG score developed internally by the Bank. In addition, a factor was introduced to enhance the presence of environmental certifications for Retail SME counterparties as well.

The Credit Risk Appetite factors relating to exposure to climate risks can consequently lead to potential repercussions on the price for customer loans.

ESG factors and corporate rating model

Thanks to its long-term collaboration with Confindustria Piccola Industria, an innovative rating model has been developed, validated by the ECB. In the model, social and environmental aspects can also have a positive impact, leading to an improvement in the rating. In addition to the usual economic and financial assessments, the new model aims to make it easier to access credit, with more favourable financial terms, by highlighting the intangible qualities of the business, such as trademarks, patents, quality and environmental certifications, research and development activities, innovation and digitalisation, development and competitive positioning projects, management of business risk, ownership and management and being part of a supply chain.

During 2021, an application was also submitted to the Supervisory Authorities for the validation and authorisation of a new rating model which further strengthens the analysis of ESG factors by defining and including in the model a score developed internally based on ESG information (corporate counterparties).

For Italian counterparties, the qualitative portion of the rating model also includes the assessment of aspects linked to catastrophic events based on the specific geographic area. The importance of physical risk has been carefully analysed by Intesa Sanpaolo, especially as Italy is considered to be one of the European countries most exposed to the effects of climate change. Intesa Sanpaolo has therefore developed an ad hoc CAT RISK module for the measurement of physical climate risk related to domestic counterparties with a corporate turnover less than 500 million euro, assessing the risk of natural calamities potentially affecting corporate

¹ Projects/Transactions targeted by media campaigns of non-governmental organisations for their environmental and/or social impacts.

plants and equipment. The module investigates the degree of riskiness of the Italian territory at municipal level. The percentage of the area at high CAT risk is transformed and normalised in order to obtain a continuous risk level indicator for different natural calamities.

Different factors related to physical risk have been analysed and three variables were included in the final model: fires, earthquakes and floods.

The model identifies a specific impact on the company's credit standing, which goes from neutral (no CAT risk) to negative (exposed to CAT Risk). CAT risk exposure is calculated automatically; a questionnaire investigates the presence of insurance against catastrophic risks, which, if present, can neutralise the impact of CAT risk.

Inclusion of ESG factors in the credit framework

The Intesa Sanpaolo Code of Ethics requires that investment decisions and the credit policy take account of the socio-environmental risks associated with the activities of corporate customers. This commitment is also outlined in the "Rules for the environmental and energy policy", in the "Principles on Human Rights" and in the "Guidelines for the governance of environmental, social and governance risks concerning lending operations". Intesa Sanpaolo intends to carefully consider climate and environmental risk factors in the assessment of counterparty creditworthiness, as well as in the credit granting process, ensuring that they are monitored within its portfolios.

The Bank is currently developing a holistic approach for the integration of ESG/Climate factors within the credit framework. In particular, the Bank is gradually reviewing its lending processes with the aim of facilitating the transition to a more sustainable economy.

Key elements to the new credit framework include:

- a sectoral assessment that includes ESG/Climate risk assessments for each business sector in which the bank customers operate;
- the definition of sector strategies which takes into consideration risk and opportunity aspects;
- an ESG score defined at counterparty level;
- a sustainability attribute to the product/transaction.

These elements have an impact on the Credit Risk Appetite, Credit Strategies (pricing) and credit granting processes.

The objective of the sectoral assessment is to identify the sectors (and microsectors) most exposed to climate change and ESG risks. To this end, a financial materiality assessment was performed, in line with the TCFD approach: a top-down sectoral assessment was carried out for each sector and microsector based on the calculation of 5 scores relating to the evaluation of climate-change transition risk, environmental, social and governance risk and an overall ESG score (obtained by weighting the single ESG scores, according to the sensitivity of each sector to these factors).

As part of the ESG sectoral strategy, a sectoral heatmap was also defined, assigning the following sectoral strategies to each business sector in order to:

- encourage credit granting in the case of companies operating in sectors where a clear positive ESG impact emerges in line with the regulatory taxonomy for sustainable investments (i.e. White and Blue sectors);
- encourage credit granting with regard to companies operating in sectors where it is possible to support transition with a view to sustainability (i.e. Yellow Sectors);
- discourage credit granting with regard to companies operating in controversial sectors from an ESG profile (i.e. Orange Sectors);
- prohibit and limit credit granting with regard to companies operating in sectors with high ESG risk (i.e. Red Sectors).

The counterparty ESG score, which Intesa Sanpaolo applies to non-financial companies, is in keeping with and in integration of the sectoral assessment and also includes components relating to climate risk (transition and physical risk), the implementation of which is scheduled in 2022. The purpose is to assess the ESG profile of corporate customers, adopting the same approach across the entire portfolio, from large listed customers to small and medium-sized enterprises. The score leverages on data from external and internal sources and covers the most important indicators of risks and opportunities in the three ESG dimensions, including (but not limited to):

- carbon footprint, physical and transition risk, water consumption, biodiversity protection (environmental dimension);
- labour conditions and standards, occupational health and safety, human capital development, diversity and inclusion (social dimension);
- ownership and control, structure of the Board of Directors, audit/tax/risk management, business ethics (Governance dimension).

With regard to corporate credit granting, the ESG & Reputational Risk Clearing process plays a particularly important role. It aims at the identification and assessment of potential reputational and ESG risks associated with the Most Significant Transactions (MST) and Corporate financing transactions as laid down by internal regulations. The process is divided into two control levels: the first, overseen by the proposing structures, aimed at identifying the counterparties, projects and transactions most exposed to ESG and reputational critical issues and the second, overseen by the Enterprise Risk Management Department, aimed at assessing these critical issues and providing a risk opinion including the assignment of a risk level (from low to very high) to support the decision-making process. In 2021, approximately 262 loan transactions with corporate customers were authorised, 56% of which were classified as having a low or medium-low reputational and ESG risk level.

Transactions subject to the Equator Principles (EP), international guidelines Intesa Sanpaolo complies with since 2007 (the Group currently adopts the “EP IV” standards, an updated version of the Guidelines), also fall within the scope of the ESG & Reputational Risk Clearing process. In 2021, a total of 19 loans subject to screening according to the Equator Principles reached financial close (a total of 386 since 2007) for an overall granted value of 1,427.6 million euro¹.

The table below shows the number of projects that reached financial close in 2021, broken down by category².

	Total	Category A	Category B	Category C
Project Finance	15	4	9	2
Project related Corporate Loans	4	1	3	0

¹ The amount of granted credit subject to EP screening came to 45.3% of the total granted credit for project finance transactions

² The EPs envisage the assignment of a risk category to the projects to be financed (A is high, B medium and C low), based on variables such as the socio-environmental characteristics of the country, industrial sector and the characteristics of the project in question. Higher-risk projects, and medium-risk projects, if necessary, are assessed by an independent advisor who identifies the main social and environmental impacts.



Materiality analysis and
stakeholder engagement

Materiality analysis and Stakeholder engagement

Non-financial and sustainability reporting focuses on key aspects that reflect the impacts, positive or negative, generated or sustained by the Group’s activities in the economic, social and environmental sphere which are capable of significantly influencing the Stakeholders’ perception of it.

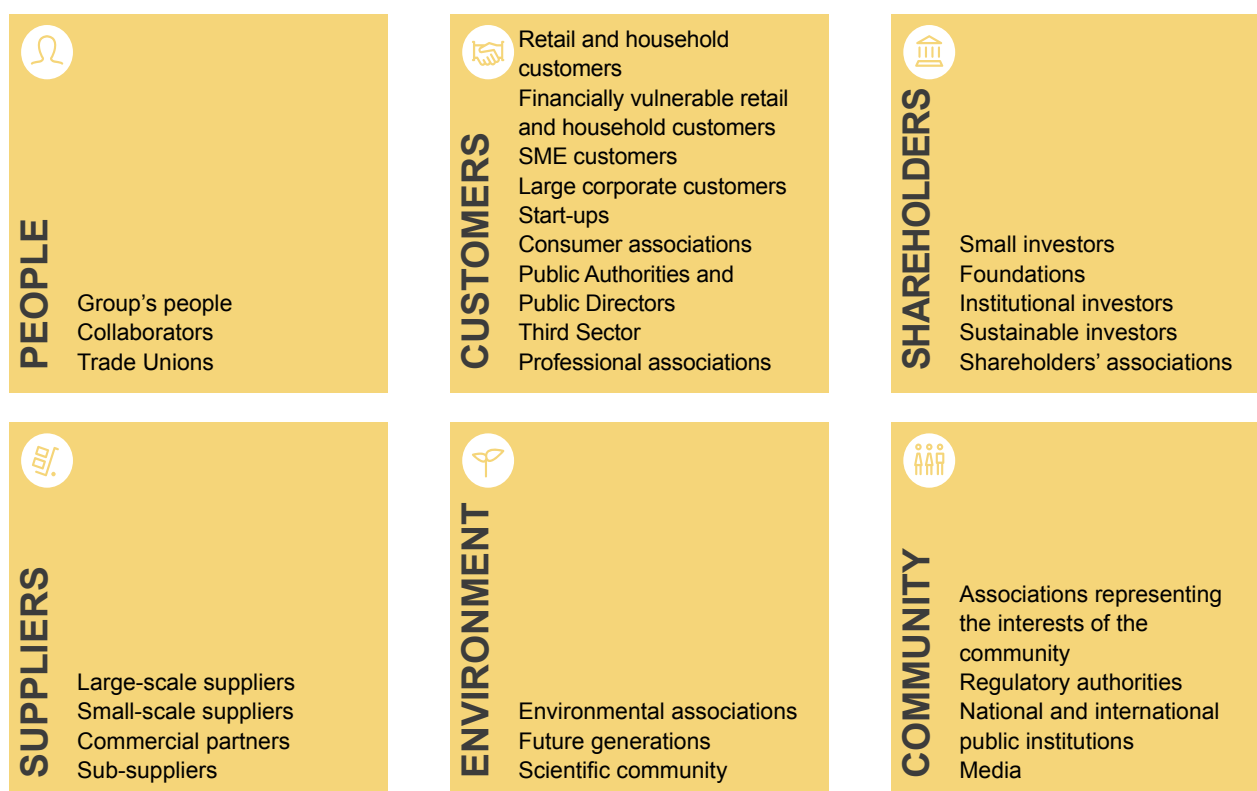
As well as constituting the core of non-financial and sustainability reporting, these aspects are also crucial for identifying and managing risks and opportunities, also contributing to shaping the company’s strategy with regard to relevant issues for the business and its Stakeholders. To this end, in line with the process outlined in the GRI Standards, Intesa Sanpaolo updates its materiality analysis on an annual basis.

The results of the Materiality analysis are graphically represented using a Cartesian coordinate system known as the Materiality Matrix which shows on the ordinate axis (Y axis) the relevance that the material issues cover for the Group and its strategy, and on the abscissa axis (X axis) the importance that they have for Stakeholders based on their expectations. This representation makes it possible to disclose in summary form the significance (“materiality”) of each issue on the basis of its overall position with respect to the two axes. The Intesa Sanpaolo Group 2021 Materiality analysis process was set out according to the following macro-phases:

- Stakeholder mapping of Intesa Sanpaolo Group;
- identification of the relevant issues for the Intesa Sanpaolo Group and its Stakeholders based on benchmark analyses, national/international documentation and with respect to the strategic priorities defined in the 2018-2021 Business Plan;
- prioritisation of the issues through the involvement of Intesa Sanpaolo’s Sustainability Managers (key contacts for ESG issues identified in each Area and internal Division) and the Stakeholders of the Group, in order to define the positioning of the relevant issues within the materiality matrix. In addition, the Steering Committee collaborates in identifying potentially relevant sustainability issues (ESG) for the definition and updating of the materiality matrix;
- validation of the materiality matrix.

STAKEHOLDER MAPPING

The Stakeholder map represents the Group’s network of relations, with which Intesa Sanpaolo exchanges views on a regular basis in order to identify and monitor their needs and prospects in relation to the issues deemed to be priority topics. The identification of the Stakeholder map represents the first phase of the periodic updating process of the materiality analysis.



IDENTIFICATION OF THE RELEVANT ISSUES

Intesa Sanpaolo has identified the priority issues for the Group and for its Stakeholders through an analysis that took into consideration the following elements:

- detail benchmark conducted on a panel of 22 peers from the banking sector in relation to material aspects and relevant Stakeholders;
- analysis, through a specialised online tool, of the current trends in the banking and insurance sector on a panel of approximately 550 organisations worldwide;
- internal document sources, including the 2018-2021 Business Plan, the Code of Ethics, the Consolidated Non-financial Statements of the last three years, the communications of the top management, the minutes of the Shareholders' Meetings and company policies;
- external documents, including: reference standards and frameworks for sustainability performance reports (AA1000, GRI standards, International <IR> framework, SASB, Guidelines on reporting climate-related information, ESMA European Common Enforcement Priorities for 2021 Annual Financial Reports, WEF's Global Risks Report and Stakeholder Capitalism Metrics, ECB Recommendations on climate and environmental risks), international documents linked to sustainability issues, Recommendations of the Task Force on Climate-related Financial Disclosures, Principles for Responsible Banking and the main regulations in the sector (e.g. Italian Legislative Decree no. 254/2016, EU Regulations 2019/2088 and 2020/852);
- Sustainability Reports/Consolidated Non-financial Statements and additional public documentation of other Italian and international financial groups;
- documents drafted by national and international institutions for the identification of general and specific megatrends in the banking sector;
- results emerged from the dialogue with the Sustainability Managers and with the Stakeholders of the Intesa Sanpaolo Group.

In order to provide clear definitions to all Stakeholders, these issues were described (see outline on pages 290-291) with their meaning to the Intesa Sanpaolo Group clearly explained. Finally, the issues were evaluated in terms of priority, related risks, areas of priority action and specific actions.

PRIORITISATION OF ISSUES AND DEFINITION OF THE MATERIALITY MATRIX

In order to assess the priority of each issue, their impacts (both generated and sustained) with respect to corporate objectives and strategies were considered and included on the "Impact on strategies" Y axis of the materiality matrix, from a double materiality perspective. Furthermore, the Stakeholders' information requirements, expectations and needs were also considered and included on the "Importance for Stakeholders" axis of the same Matrix.

The prioritisation process of the issues on the "Impact on strategies" axis involved the Sustainability Managers of the Intesa Sanpaolo Group and took into consideration the aspects, particularly in the ESG area, to which the Group paid special attention in 2021. The Sustainability Managers were involved through a workshop where each of the participants expressed their opinion on the potentially material issues subject to assessment, then expressing their own opinion, as well as through an interactive voting tool.

The prioritisation process of the issues on the "Importance for Stakeholders" axis was set out through a series of personalised Stakeholder engagement initiatives, carried out in line with the AA1000 AccountAbility standard. The engagement plan was defined in collaboration with the internal functions which have direct relations with all categories of Stakeholder on a daily basis.

During the engagement activities, in addition to requesting specific assessments from all Stakeholders with regard to the identified sustainability issues, specific focus areas were carried out in the COVID-19 sphere, by virtue of the health emergency that characterised the 2020-2021 two-year period and the recovery strategies, with particular reference to the National Recovery and Resilience Plan (NRRP). The growing attention to combating climate change was also the subject of specific insights, given the importance attached to the issue by today's regulatory and social environment.

This engagement is documented in minutes taken down in collaboration with the relevant parties and is managed by a third party. The topics proposed to individual Stakeholders relate to different aspects of sustainability, not limiting the listening process to the issues traditionally connected with each category, thereby encouraging broader discussions and new perspectives.

Some minor deviations that resulted from the Stakeholders' listening activity compared to the 2020 assessments were reviewed in order to highlight the significant changes that emerged in the positioning of the topics, which in any event did not lead to a change in the priority assigned to each material topic.

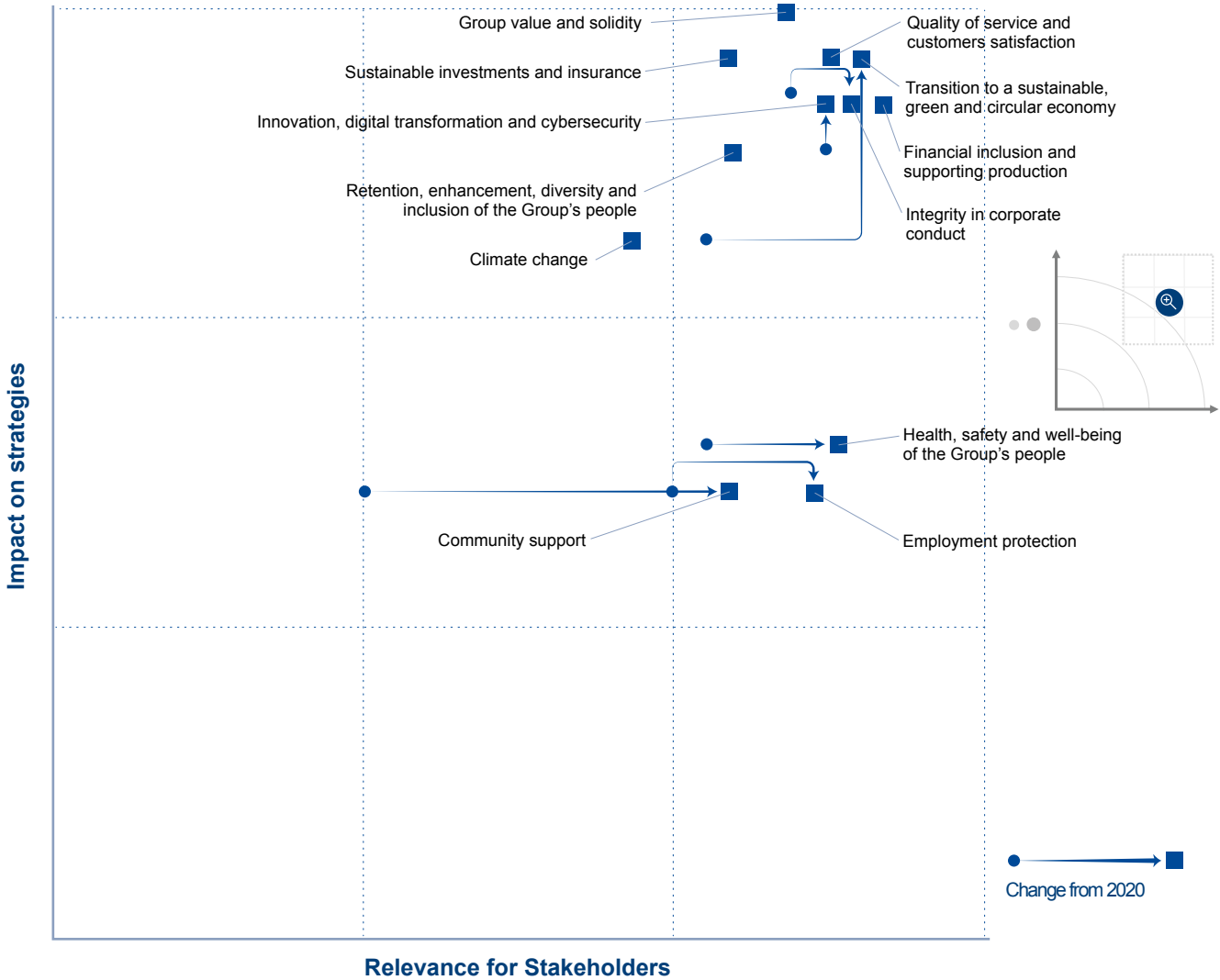
The following table outlines the methods used to engage Stakeholders included in the materiality analysis, broken down into individual categories, and the summary of the issues covered.

Stakeholder category	Stakeholders	Listening method	Summary of the issues covered
Customers	Retail customers	Online questionnaire filled out by a sample of over 3,500 retail customers	<ul style="list-style-type: none"> • Pursuit of the banking business in full compliance with the rules and principles of fairness in business • Responsible, solid and sustainable governance, value creation and distribution for all the Group's Stakeholders • Attention to service quality, customer care, relationship and satisfaction • Sustainable investments and integration of sustainability issues in the conduct of the insurance business • Disbursement of loans to sections of society that would otherwise find it difficult to access credit, and provision of products with a high social impact • Support to the community through solidarity initiatives with projects carried out in partnerships, donations and sponsorships, promotion of art and culture in Italy and abroad • Promotion of a growth strategy geared towards digital innovation, in order to anticipate new trends and be competitive on the market • Commitment to asserting its role as a digital company through an advanced multichannel platform aimed at ensuring an innovative, safe and effective offer • Commitment to guaranteeing IT security to its customers • Talent development, development of internal skills, evaluation and incentive systems, regular training plans, diversity management • Initiatives for environmental protection and reduction of the environmental footprint of the Group's offices and branches • Group's commitment to promoting sustainable economic development, also in light of the international and EU objectives in the Climate Change and sustainability area. More specifically, promotion of an economic model with low carbon emissions and based on the circular economy, through the development of a dedicated, customer-centric offering
	Corporate customers	Online questionnaire filled out by a sample of around 2,000 corporate customers	
Environment/Community	Representative figures	Questionnaires and virtual one-to-one interviews with representative figures of the Community and the territory	<ul style="list-style-type: none"> • Educating new generations on sustainability issues • Contribution to the promotion of innovation processes for the third sector • Main (positive/negative) impacts on the environment and on the communities • Link between the COVID-19 pandemic and new trends related to climate change and the management of environmental and social impacts • Evolution of the regulatory environment (e.g. Taxonomy, SFDR) and the potential impacts on organisations • Opportunities related to the promotion of best practices in the environmental, social and governance fields thanks to the NRRP
Shareholders/investors	SRI investors	Analysis of the outcome of the requests from investors/analysts that emerged during the year	<ul style="list-style-type: none"> • Group value and solidity • Environmental aspects, particularly in relation to the transition to a Green and Circular economy, climate change and environmental protection • Sustainable finance, investments and insurance • Customer relationships and Group's commitment to guaranteeing transparency and physical and IT security to its customers and encouraging timely responses to the constant evolutions of the context and customer needs • Community support, understood as the development of activities aimed at involving and supporting the local community • Innovation and digital transformation • Retention, enhancement, diversity and inclusion of the Group's people (e.g. incentive plans, diversity, etc.) • Health and safety of workers, employment protection and new working methods • Support for young people and the production sector • Governance and integrity in the banking business • Reporting of non-financial information • Link between COVID-19 and the growing trends for ethical and sustainable finance issues

Stakeholder category	Stakeholders	Listening method	Summary of the issues covered
Shareholders/ investors	Small shareholders	Virtual one-to-one interview	<ul style="list-style-type: none"> • Strategic relevance of the NRRP • Importance of financial education and dissemination of ethical finance principles for young generations • Integration of ESG issues into strategic business planning processes • Digitalisation and opportunities for the development of new services, also in collaboration with fintech organisations
People	Group's people, in Italy and abroad	Survey aimed at listening to the opinions and needs of the Group's people by providing questionnaires on an internal climate survey and questions relating to sustainability to over 57,000 Group's people	<ul style="list-style-type: none"> • Dissemination and knowledge of good practices already in place • Employment protection • Assessment and knowledge of the Policies applied by the group (e.g. Diversity & Inclusion) • Employee well-being (flexibility and work-life balance, relationship with colleagues and managers) • Job satisfaction and assessment of the Group's focus on innovation • Assessment of the variables related to personnel enhancement (e.g. sense of belonging, merit recognition, autonomy and financial recognition) • Evaluation of the transparency and objectivity of the performance assessment systems • Assessment of the training and professional growth opportunities provided by the Group • Assessment of the perception of the Group's image from the customers' point of view, based on individual professional experiences • Assessment of customer satisfaction on aspects such as the Group's reliability, competence and transparency
	Trade unions	Virtual focus group with 13 trade union representatives	<ul style="list-style-type: none"> • Group value and solidity • Employment protection and future • Group's people well-being (e.g. flexibility and smart working) • Management of the Covid-19 emergency in relation to the Group's people and the security of offices and branches • Reporting of non-financial information

The assessments collected made it possible to update the Intesa Sanpaolo Group 2021 materiality matrix, represented below:

2021 MATERIALITY MATRIX



Compared to the previous editions of the materiality matrix, the issues are represented following an integrated approach without using a breakdown by macro-categories, which did not fully reflect the transversal nature of many of the issues subject to assessment.

MAIN VARIATIONS IN THE 2021 MATERIALITY MATRIX

In 2021, the material issues identified in 2020 in response to the requests contained in Italian Legislative Decree no. 254/2016 were mostly confirmed, including in terms of positioning. The analyses carried out made it possible to update the nomenclatures and descriptions of some issues, with the aim of providing a better explanation of some of the key aspects found. Furthermore, through the stakeholder engagement and by listening to the Sustainability Managers, it was possible to detect slight changes also in terms of positioning both from the point of view of the X axis (relevance for stakeholders) and from that of the Y axis (impact on strategies). The main changes introduced in 2021 include the new topic “Climate change”, confirming the Group’s strong emphasis on strategic and regulatory aspects. Thus, the Group formalised new and important objectives towards environmental transition, such as joining the United Nations Net-Zero Alliances for the reduction of net emissions down to zero by 2050, thereby expressing its active role in the collective pursuit against climate change. The new topic also incorporated the one previously referred to as “Direct environmental impacts” in the 2020 CNFS. In addition, the meaning of the topic “Innovation and digital transformation”, which has now become “Innovation, digital transformation and cybersecurity”, was changed in order to further highlight the relevance of IT security related aspects.

Below are the main updates introduced to the material issues behind the drafting of this CNFS compared to the 2020 version.

In terms of positioning, the topic “Group value and solidity” has not changed compared to 2020: indeed, it is the most important topic for the Intesa Sanpaolo Group and among those of particular relevance for Stakeholders in consideration of its cross-cutting nature and the interrelations of the latter with all the other issues identified.

Compared to 2020, the positioning of the topics “Financial inclusion and supporting production”, “Service quality and customer satisfaction” and “Sustainable investments and insurance” is confirmed. This year’s matrix highlights the growing relevance of the topic “Innovation, digital transformation and cybersecurity”, especially along the Y Axis, a significant reflection of the implications of the pandemic and of the strategic role assigned by the Group to digitalisation and multichannel services in line with the main reference trends. The repercussions of the pandemic can also be gleaned from the strong growth recorded by the topic “Community Support” on the X Axis, which reflects the special attention paid to social issues and the measures in aid of the territory in a particularly challenging period for many local entities, families and individuals.

Moreover, greater relevance was recorded, in the Stakeholders’ opinions, to the topic “Integrity in corporate conduct”, which is increasingly considered a structural prerequisite of financial institutions and a key element for the correct management of all the issues included in the Matrix, as well as for the purposes of retaining loyal customer relationships. More specifically, in the context of a high rating on average, the engagement activities carried out highlighted a highly significant relevance of this topic for the Group’s people, for the Shareholders and for the representatives interviewed in the “Community and Environment” category.

The topic “Retention, enhancement, diversity and inclusion of the Group’s people” maintained the same relevance along both axes of the matrix, while the topic “Employment protection” marked an increase along the X Axis. This change reflects the attention paid by the Stakeholders involved in the materiality process to employment protection, including in relation to the emergency context, its repercussions and the broader dynamics related to the sector’s growing digitalisation. The topic “Health, safety and well-being of the Group’s people” also saw an increase in relevance along the X axis. This change is consistent with the actions implemented by the Group to combat the spread of the COVID-19 pandemic, i.e. measures and strategies aimed at increasing people’s health and safety and promoting their well-being, in spite of the pandemic context. The greater relevance for this topic was expressed by trade unions, the Group’s people and the representatives consulted in the Community and environment category.

The topic “Transition to a sustainable, green and circular economy” recorded a positive change on both axes, reflecting both the increase in relevance of the issues related to the green and circular economy and the rapid evolution of the European regulatory context, as well as the Group’s commitment on these issues, with the implementation or launch of various initiatives during the year. The evolution of the regulatory scenario and the Group’s commitment to the environment, as well as the growing focus from the broader socio-economic context and the need to take swift actions in order to combat climate change, have led the Group to increase the weight assigned to the topic “Climate change” in the matrix. This choice signifies the Group’s proactive role in combating climate change, also sanctioned by the recent move to join the Net-Zero Alliances, as well as by the commitments contained in the Action Plan defined in response to the ECB’s expectations on climate and environmental risk management. With internal actions aimed at mitigating its own environmental impacts (both generated and sustained), as well as through its business activities, including through promotion, awareness and customer engagement practices, the Group continues to pursue strategies designed to bolster sustainable development, first and foremost championing a low-carbon transition. These trends resulted in high relevance being assigned to the topic by all Stakeholders involved in the materiality analysis process.

MATRIX VALIDATION

All issues that are significant (i.e. that have a score of 3 or higher, on a scale of 0 to 5) for the Group or for at least one of its Stakeholders have been considered material and have been reported and detailed in this document.

Each one is assessed in terms of its positive and negative impact on internal and external Stakeholders, the company structures, and on the basis of potential associated business risks/opportunities. The reporting scope for each of the topics is specified on pages 290-291. The Materiality Matrix was shared with the Steering Committee and with the Risks Committee, which forms part of the Board of Directors (see also page 47).

ANALYSIS OF MATERIAL ISSUES IN THE WIDER CONTEXT OF SUSTAINABILITY

The results represented in the Materiality Matrix were examined in terms of their consistency, including with a context analysis on general sustainability issues and a sector analysis at national and international level. This analysis was also updated through the critical reading of the most relevant ESG documents published in 2021. As regards national and international trends and objectives, additional aspects were identified to take into account the relevance that issues such as sustainable finance, the fight against climate change, the growing digitalisation and IT security received in 2021.

IMPACTS, RISKS AND OPPORTUNITIES AT NATIONAL AND INTERNATIONAL LEVEL

MATERIAL ISSUE	RISKS AND OPPORTUNITIES	NATIONAL AND INTERNATIONAL TRENDS AND OBJECTIVES
Integrity in corporate conduct	<ul style="list-style-type: none"> • Corruption prevention • Compliance and data breach risk management • Investments in sensitive sectors • Fight against organised crime 	<ul style="list-style-type: none"> • Spread of organised crime • Incentive of ethical conduct • Fight against active and passive corruption • Protection of free competition • Compliance with labour laws • Privacy, Cyber & data security • Anti-Money Laundering • Fraud prevention
Group value and solidity	<ul style="list-style-type: none"> • Credit quality • Efficient use of capital and diversification • Attraction of sustainability aware investors • Management of business, ESG and reputational risks • Changes in the organisational structure 	<ul style="list-style-type: none"> • Globalisation and competitiveness • Evaluation of long-term scenarios including climate-related risks and opportunities • Promotion of transparent, efficient and ESG friendly financial markets • Dissemination of ESG values and culture • Assessment of the financial implications linked to ESG impacts • Integration of ESG issues into strategic business planning processes • Growing focus on corporate resilience and business continuity
Service quality and customer satisfaction	<ul style="list-style-type: none"> • Proximity to the customer and operational streamlining • Product innovation and service models • IT risk • Unfair commercial practices • Reputational risks associated with the application of ESG factors/criteria 	<ul style="list-style-type: none"> • Growth in bank deposits and increase in loans, due to or in relation to the uncertainty linked to the pandemic context • Business continuity and consumer satisfaction • Reorientation of the financial system towards an offer that incorporates the ESG criteria • Customer health and safety • Service digitalisation • Multichannel services and customised offering • Increasing interest in cryptocurrencies and non-fungible tokens (NFTs)
Sustainable investments and insurance	<ul style="list-style-type: none"> • Offer diversification • Management of reputational and ESG risks in investments and in relation to insurance products 	<ul style="list-style-type: none"> • Investors' attention to ESG aspects and to the measurement of the sustainability of investments, also as tools to combat climate change • Customer satisfaction with asset management by financial operators • Integration of ESG risk factors into investment management and insurance activities • Promotion of sustainable lifestyles • Dissemination of ESG integration practices, negative/positive screening, impact investing • Growing focus on sustainability reporting for financial services

MATERIAL ISSUE	RISKS AND OPPORTUNITIES	NATIONAL AND INTERNATIONAL TRENDS AND OBJECTIVES
Transition to a sustainable, green and circular economy	<ul style="list-style-type: none"> Risks related to climate change Management of reputational and ESG risks in loans and insurance products 	<ul style="list-style-type: none"> Support to the growth of demand and supply of low carbon products and services Increase in Italian companies' green competitiveness Transition to a sustainable economy through a collaborative network and the promotion of circular development models Support to loans for environmental projects Growing focus to the circular economy, as well as to the protection of biodiversity and ecosystem services Dissemination of the environmental protection culture
Climate change	<ul style="list-style-type: none"> Risks related to climate change Operational protection in risk situations Fluctuation of energy costs and related impacts on business costs and investments 	<ul style="list-style-type: none"> Increase in global average temperature Sea level rises and increase in their temperature Increased frequency of extreme weather events Adverse impacts for biodiversity and competition for natural resources Increased set of regulations applicable nationally and internationally Identification, management and reporting of governance, strategy, climate risk management, climate-related objectives promoted by the TCFD Reduction and reporting of atmospheric emissions to combat climate change Responsible use of energy and natural resources (including correct waste management with a view to circularity) Clean and accessible energy and water Promotion of actions aimed at mitigation and adaptation to climate change
Retention, enhancement, diversity and inclusion of the Group's people	<ul style="list-style-type: none"> Talent attraction and retention Investments in training Diversity, equity & inclusion management Enhancement of human resources 	<ul style="list-style-type: none"> Incentive of the banking consultant's proactivity for the dissemination of ESG products ESG criteria in the incentivisation and inclusion of employees Gender diversity, equity and inclusion Dissemination of periodic performance evaluation models integrated with ESG elements
Employment protection	<ul style="list-style-type: none"> Employment Labour law risks Changes in the organisational structure Lifelong learning 	<ul style="list-style-type: none"> Consultation and inclusion of employees Continuity of employment/Welfare, well-being and social safety nets Growing digitalisation and distribution of hybrid ways of working Job mix transformation Increasing work mobility and competition for the best talents
Financial inclusion and supporting production	<ul style="list-style-type: none"> Financial inclusion Support to SMEs Management of reputational and ESG risks in loans 	<ul style="list-style-type: none"> Increased levels of financial education including in terms of sustainability Integration of ESG risk factors into credit management Actions to eradicate poverty Support for young people and the production sector
Community support	<ul style="list-style-type: none"> Brand enhancement Group's leadership in society for the dissemination of the sustainability culture Promotion and measurement of activities with high social impact Investments in sensitive sectors and reputational risk Management of current socio-demographic changes 	<ul style="list-style-type: none"> Social and economic development of local communities Strengthening cooperation to achieve global sustainable development goals Dissemination of social finance instruments Increase in social inequalities Rising average age of the population
Health, safety and well-being of the Group's people	<ul style="list-style-type: none"> Company welfare initiatives Work-life balance and flexibility Management of employees' health and safety risks 	<ul style="list-style-type: none"> Attention to company climate Attention to employees' health and safety Dissemination of welfare and well-being practices Application of protocols for the prevention and mitigation of biological risks
Innovation, digital transformation and cybersecurity	<ul style="list-style-type: none"> Compliance and data breach risk management Service quality Privacy IT risk Market and services diversification 	<ul style="list-style-type: none"> Digital transformation/Digital identity, online payments and billing New technologies to ensure greater accessibility, effectiveness and excellence in the services provided Digital customer experience Dissemination of the use of Home Banking services Increasing attention to the development and continuous improvement of data governance processes, cyber attack prevention and IT infrastructure resilience Dissemination of artificial intelligence, blockchain technology, Distributed Ledger Technology (DLT) and robotics



Sustainable value creation and
business integrity

Group value and solidity

BUSINESS MODEL*



* For more in-depth insights as regards the main trends and factors that may affect the business model such as COVID-19, one should refer to the section called "Impacts of the pandemic on operations, business activities and the risk profile" in the Consolidated Annual Report.

THE 2018-2021 BUSINESS PLAN

In recent years, Intesa Sanpaolo Group has shown its ability to generate value for all stakeholders, achieving important results even in challenging external contexts, especially during the period marked by the health emergency. The 2018-2021 Business Plan was therefore brought to completion with the attainment of results in line with the stated objectives.

Intesa Sanpaolo, a Bank that is already a leader in terms of sustainability and ESG, is one of the leading operators in the sector and is well positioned to seize future opportunities, thanks to its multiple strengths including: proactive and granular risk management, undisputed capital position, a distinctive business model, a top position in the ESG area and strengthened domestic leadership in a country that is experiencing strong post-pandemic recovery.

The 2018-2021 Business Plan integrates the commitments set by the Group, by defining measures to contribute to global development, in order to support its customers, promote the development and well-being of people and communities, and protect the environment, including through combating climate change. In particular, Intesa Sanpaolo has been able to become an exemplary model for society, through a series of initiatives aimed at, among other things, granting loans to groups that have difficulty accessing credit despite their potential, ensuring support to people in need, mitigating the consequences of natural disasters for households and businesses, supporting the Circular Economy's development and making the most of the artistic, cultural and historical heritage of the Group to promote art and culture in Italy and abroad.

Particularly worthy of note, among the initiatives undertaken, is the Fund for Impact, a credit plafond established at the end of 2018 intended to disburse social impact loans of around 1.5 billion euro to sections of society that find it difficult to access credit. For households and businesses affected by earthquakes and other natural disasters, the Group activated dedicated credit lines, providing subsidised loans to the tune of approximately 980 million euro since 2018. In order to deal with the COVID-19 emergency, since the beginning of the pandemic, as much as 115 billion euro¹ worth of mortgage payments and existing loans for households and businesses have been suspended; loans amounting to approximately 43 billion² euro were disbursed under the Liquidity Decree. In favour of the transition towards a sustainable, green and circular economy, over the time horizon of the 2018-2021 Plan, Intesa Sanpaolo disbursed 7.7 billion euro for the circular economy, thereby responding to growing customer demand, against an allocated 6 billion euro credit line. Intesa Sanpaolo has proven to be an accelerator of the growth of Italy's real economy, providing since the beginning of the Plan over 290 billion euro (compared to the 250 billion euro set by the 2018-2021 Plan) of new medium/long-term loans to households and businesses, 77 billion euro of which in 2021; the companies brought back to performing status since 2014 stood at 133,000, a transaction which made it possible to retain 665,000 jobs.

The attention paid by the Group to inclusion has led since 2018 to implement initiatives to reduce child poverty and support people in need by providing around 24.8 million meals, 1.5 million beds, 296,250 medicines and 249,200 items of clothing, largely exceeding the objectives set in the 2018-2021 Business Plan. In addition, with reference to cultural initiatives, among the various areas, Intesa Sanpaolo disbursed a cash contribution to the community for Art and Culture of approximately 144 million euro in the 2018-2021 four-year period.

The enablers are our People, who continue to be Intesa Sanpaolo's most important resource, and the completion of the digital transformation, which made it possible to increase the levels of efficiency and offer increasingly advanced, high-quality products and services to customers.

People, in particular, benefit from a series of initiatives aimed at strengthening their involvement, promoting inclusion and ongoing dialogue with the company, developing the best talents, improving skills, maintaining employment levels, promoting internal fairness and facilitating a work/life balance through flexibility initiatives. The Group has always invested in training its people (13 million hours provided in 2021, exceeding the Plan's target of 11.9 million per year) and, especially during the pandemic, in health and safety protection measures, allowing 78,000 people to work remotely.

In its strategy, the Group has taken into consideration the Sustainable Development Goals (SDGs) set by the United Nations, and has been able to provide a concrete response not only in wording, but also in implementing the commitments undertaken, whose results have now become an integral part of the Bank's sustainable business model. Intesa Sanpaolo has been able to seize all the opportunities to strengthen the central role of sustainability within the framework of its overall strategy.

Through the 2018-2021 Business Plan, Intesa Sanpaolo has set itself goals which generate value for its stakeholders and for the achievement of which the Group main strategic projects were developed (see 2021 Financial Statements, page 54 [1]).

With the new 2022-2025 Business Plan, the Bank, in addition to providing its People with the best professional experience, has set itself the goal of continuing to generate value for all stakeholders and at the same time building a profitable, innovative and sustainable bank. The Group aspires to become a Wealth Management, Protection & Advisory leader at the European level, characterised by Zero-NPL, a strong digital drive and a focus on fee and commission income, further strengthening its leadership in the ESG sector with a top position worldwide in terms of social impact and a strong emphasis on the climate (for more details, see page 213).

As a strong Bank for a sustainable world, Intesa Sanpaolo is able to make a positive contribution to the interests of its shareholders and all other stakeholders.

¹ Moratoria granted up to 31.12.21 (flows), including renewals, considering UBI Banca and the sale of branches carried out in the first half of the year.

² As at 31.12.21, including UBI Banca and considering the sale of branches carried out in the first half of the year.

These objectives are detailed in the various sections of the document, together with the progress achieved during 2021. These include:

Stakeholder	Benefits	2021 results	Plan Objectives for 2021 Cumulative value 2018-2021
Shareholders	Cash payout ratio	2.9 billion euro cash dividends, equal to a 70% payout ratio	85% in 2018, 80% in 2019, 75% in 2020 and 70% in 2021
Households and businesses	New medium/long-term credit granted to the real economy	~77 billion euro (~290 since the beginning of 2018)	~250 billion euro
Employees	Personnel expenses	~6.8 billion euro (~23.8 since the beginning of 2018)	~24 billion euro
Suppliers	Purchases and investments	~3.1 billion euro (~11.5 since the beginning of 2018)	~11 billion euro
Public sector	Direct and indirect taxes	~2.8 billion euro (~10.2 since the beginning of 2018)	~13 billion euro

ECONOMIC AND FINANCIAL PERFORMANCE AND DISTRIBUTION OF THE VALUE GENERATED¹

ECONOMIC AND FINANCIAL PERFORMANCE²

With the gradual improvement in the pandemic situation - except for the last weeks of the year, marked by the spread of the new Omicron variant - and accompanied by a lively recovery in production, which exceeded expectations, the Intesa Sanpaolo Group closed 2021 with net income of 4,185 million euro, up 27.7% compared to the 3,277 million euro in 2020. It should also be noted that the comparative year benefited from the positive net accounting effect recorded as a result of the acquisition of the UBI Banca Group, amounting to 684 million³, as well as the significant gain on the sale of the acquiring business line to Nexi within the payment systems area (1.1 billion euro), but had also incorporated goodwill impairment pertaining to the Banca dei Territori Division in the amount of 912 million euro.

Against the backdrop of a general improvement in the economic scenario conditioned by the pandemic emergency, the Intesa Sanpaolo Group's operating income amounted to 20,786 million euro in 2021, up 1.9% from 20,400 million euro in 2020. This result was driven by the positive performance of net fee and commission income (+9.3% to 9,540 million) and, to a lesser extent, of other net operating income (+55 million to 92 million), only partly offset by the reductions in net interest income (-4.6% to 7,900 million), income deriving from insurance business (-3.3% to 1,629 million) and profits (losses) on financial assets and liabilities designated at fair value (-3.0% to 1,625).

Operating costs, equal to 10,920 million, continued to fall (-119 million, -1.1%), with an impact on both administrative expenses (-5.8% to 2,899 million), which benefited from the control measures taken and the initial synergies arising from the integration of the former UBI Group, and amortisation and depreciation (-0.6%

(1) For more in-depth insights as regards the main impacts of COVID-19 on financial performance, one should refer to the Consolidated Annual Report for the years 2020 and 2021.

(2) The comments, unless otherwise specified, refer to the reclassified and redetermined data published in the 2021 Consolidated Financial Statements of the Intesa Sanpaolo Group. The "redetermined" figures in the reclassified income statement take account of both the acquisition of the UBI Group and the entry of the 100% equity investments in insurance companies with which the UBI Group had long-term partnerships - completed in the second quarter - and the effects of the related sales of branches in the first half of the year (in this regard, reference is made to paragraph "Highlights" of the 2021 Consolidated Financial Statements of the Intesa Sanpaolo Group). Details regarding the calculation of the "redetermined" figures are provided in the chapters "Economic results" and "Balance sheet aggregates" of the 2021 Consolidated Financial Statements of the Intesa Sanpaolo Group. Amounts are in millions of euro. For additional details or information, see the 2021 Consolidated Financial Statements of the Intesa Sanpaolo Group.

(3) As discussed in the "Report on operations" of the 2020 Consolidated Financial Statements, to which reference is made, for the purposes of the overall measurement of the net effect on the income statement of the acquisition of the UBI Banca Group, in addition to the amount included in the item "Effect of purchase price allocation (net of tax)" of the reclassified consolidated income statement, equal to 2,062 million (+2,505 million as negative goodwill and -443 million as related charges), account must also be taken of expensed integration charges, totalling 1,378 million net of the tax effect, in the year when the business combination became effective, even though they were not considered in the PPA as required by IFRS 3.

to 1,248 million), including in relation to the write-off of UBI Sistemi e Servizi assets, which was merged into the Parent Company in July 2021.

Adjustments to loans, which included an additional allocation of around 1,615 million euro to accelerate the reduction of non-performing loans, amounted to 2,766 million euro, down sharply (-38.4%) on the figure recorded in 2020 (4,493 million euro), which was impacted by higher provisions due to the revision of the scenario following the pandemic.

The consolidated income statement also recorded:

- other net provisions and net impairment losses on other assets of 851 million euro, up from the comparison figure of 365 million euro. This caption mainly consists of other net provisions (to the allowances for risks and charges), which included approximately 295 million euro in order to strengthen the technical reserves of the insurance sector⁴ and 275 million pertaining to the Parent Company, mainly for legal disputes;
- other income (a caption which includes realised profits (losses) on investments, equity investments and financial assets at amortised cost other than loans, as well as income and expenses not strictly linked to operations) amounting to 332 million (97 million in 2020);
- income from discontinued operations amounting to 58 million euro (1,588 million recognised in 2020 including, among others, a 1,110 million gain on the sale of the acquiring business line to Nexi), related to the reclassification of the results of the branches sold by UBI Banca and the Parent Company (recognised by convention under this caption).

After the entries described above, gross income amounted to 6,639 million euro, an increase of 7.3% (+451 million euro).

Taxes on income stood at 1,623 million euro from the comparison figure of 1,510 million euro.

Net of tax, charges for integration and exit incentives were recorded of 439 million euro, approximately 210 million of which (approximately 320 million before tax) related to voluntary exits under the Agreement of 16 November 2021.

Effects of purchase price allocation were then recorded in the amount of -39 million euro, compared to the previous +1,960 million which included 2,062 million euro of negative goodwill relating to the acquisition of the UBI Group. Also still significant was the amount of Charges aimed at maintaining the stability of the banking industry, totalling 511 million euro, unchanged compared to the 513 million euro in 2020.

With reference to the balance sheet aggregates, as at 31 December 2021 loans to customers stood at 465.3 billion euro, an increase of 0.5% compared to the end of 2020 (+0.4% in the fourth quarter). The overall performance of the aggregate actually summarises a decline by 34.1% to 7.1 billion euro in non-performing loans, as a result of the de-risking initiatives carried out, more than offset by the growth in trade and financial loans.

On the funding side, the positive trend of direct customer deposits continued in 2021 as well, increasing overall by 5.5% to 555.6 billion euro.

Direct deposits from insurance business - which also includes technical reserves - totalled 204.5 billion euro in December 2021, up by 0.6% in the twelve months.

The favourable performance of the financial markets, combined with the strong results of the placement activity allowed indirect customer deposits to reach 719.2 billion euro, with an increase of 9.3% over the twelve months, attributable to the balanced development of all components.

In 2021, given the persistent health emergency situation, the Intesa Sanpaolo Group continued the actions taken in 2020 following the spread of the COVID-19 virus, aimed at protecting the health of employees, suppliers and customers, ensuring business continuity and control of risk, and countering the social and economic effects of the pandemic.

With a detailed illustration of the impact of the pandemic and the strategies implemented by the Group provided in the 2021 Consolidated Financial Statements, here we will limit our analysis to underlining how the complexity of the context called for the even closer monitoring of the factors that enable the Group to pursue sustainable profitability: high liquidity, funding capacity, low leverage, adequate capital base and prudent asset valuations.

At the end of December 2021 liquid assets amounted to 335 billion euro, 192 billion of which readily available. The Basel III Liquidity Coverage Ratio and Net Stable Funding Ratio liquidity requirements were met in full. At 31 December 2021, the financing operations with the ECB to optimise the cost of funding and support the investments of corporate customers amounted to around 132 billion, entirely made up of TLTRO III.

(4) Taking into account the claims in excess of premiums issued and on the basis of the estimate of future charges on the policies in relation to a financial imbalance generated also as a result of greater use of benefits by insured persons on conclusion of the long periods of lockdown.

Funding sources were stable and well diversified with the retail component making up 84% of direct deposits from banking business, including securities issued.

Wholesale medium/long-term funding came to 6.8 billion in 2021 and included non-preferred senior bond benchmark transactions of 1.75 billion euro, senior green bonds of 1.25 billion euro and Tier 2 issues of 1.5 billion euro (around 92% of which placed with foreign investors).

Leverage ratio as at 31 December 2021 was equal to 6.6% under the transitional rules for 2021 and 6.5% on a fully loaded basis.

The capital base also remains high and well above regulatory requirements. At the end of the year, the Total capital ratio stood at 19.1%, while the ratio of the Group's Tier 1 capital to its total risk-weighted assets (Tier 1 ratio) was 16.4%.

The effects of the pandemic on the Group's risks continue to remain limited also thanks to the effects of the extraordinary measures implemented starting from 2020 and renewed during 2021.

With regard to credit risk in particular, the extraordinary measures have limited the effects of the pandemic in the current period; however, there may be a deterioration as they are progressively phased out. The extent of the impacts for the Group will be closely related to the actual development of the macroeconomic environment, and in particular to the evolution of the COVID-19 situation, together with any new situations of uncertainty and the long-term effectiveness of the above-mentioned support measures. The Intesa Sanpaolo Group is carefully monitoring the development of the situation, including through specific scenario and stress analyses used to assess the related impacts in terms of profitability and capital adequacy. The results of this monitoring have confirmed that, in the event of an adverse deviation of the scenario from the forecasts of the Central Banks, the Group – also through the implementation of specific actions – would be able to ensure compliance with the regulatory requirements and the stricter limits set internally.

Economic indicators (millions of euro)	2020	2021
Loans to customers	462,802	465,254
Direct deposits from banking business	526,765	555,565
Direct deposits from insurance business and technical reserves	203,211	204,479
Consolidated shareholder's equity	65,894	63,775
Consolidated net income	3,277	4,185
Dividends	2,626	2,932
Average market capitalisation	44,535	44,185
Total assets	1,034,002	1,069,003
Economic value generated	19,490	20,037
Economic value distributed	-16,271	-15,527

Comparative figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations.

CALCULATION AND DISTRIBUTION OF ECONOMIC VALUE

The economic value generated by the Group during the year is calculated in accordance with ABI (Italian Banking Association) instructions and consistent with international reference standards. The calculation is made by reclassifying consolidated income statement items recorded in the financial statements, as required under Bank of Italy Circular 262.

The economic value generated, which in 2021 was over 20 billion euro, came from net income from banking and insurance activities – which therefore takes into account the impairment losses on loans and other financial assets – plus the realised gains and losses on investments in associates and companies subject to joint control, investments and other operating income. The amount of the economic value generated expresses the value of the wealth produced, most of which distributed among the stakeholders with which the Group interacts in various ways on a day-to-day basis. In particular:

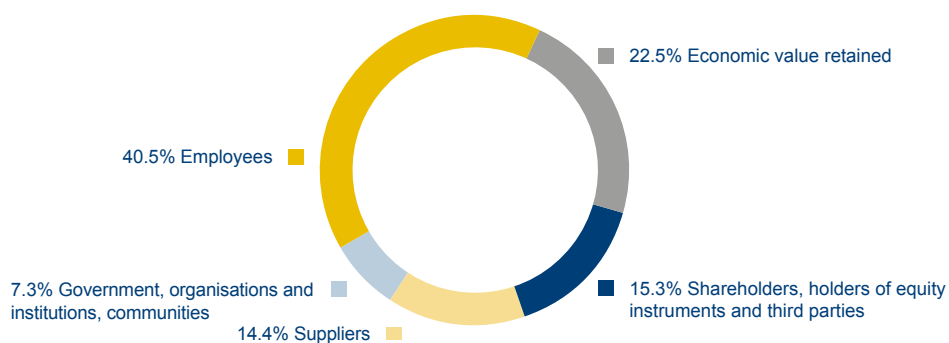
- employees and other staff benefited from approximately 41% of the economic value generated, for a total of over 8 billion euro. In addition to staff pay, the total also includes payments to the network of financial advisors;

- suppliers received over 14% of the economic value generated, for a total of almost 3 billion euro in payment for goods and services;
- The Government, Organisations and Institutions recorded a total flow of funds of almost 1.5 billion euro, around 7% of the economic value generated, over 1 billion euro of which referring to indirect taxes and duties, and over 700 million euro to levies and other charges concerning the banking industry, consisting of contributions to resolution and guarantee funds. Numerous social and cultural initiatives and other actions were also undertaken to support the charity funds and issue disbursements by way of social and cultural contributions, also following the outbreak of the COVID-19 epidemic;
- approximately 15% of the economic value generated was allocated to Shareholders, holders of equity instruments and minority interests, largely in terms of the proposed dividend, for a total of approximately 3 billion euro. In particular, the proposed final dividend is equal to 1,533 million (in addition to the 1,399 million interim dividend paid in November 2021, for a total of 2,932 million from the 2021 net income). For more details in this regard see the Proposals to the Shareholders' Meeting in the Intesa Sanpaolo S.p.A. financial statements.

The remaining amount of the economic value generated, around 4.5 billion euro, was withheld by the corporate system and mainly comprises deferred tax assets and liabilities, amortisation and depreciation, and provisions for risks and charges.

BREAKDOWN OF 2021 ECONOMIC VALUE

ECONOMIC VALUE	millions of euro	
ECONOMIC VALUE GENERATED	20,037	100.0%
ECONOMIC VALUE DISTRIBUTED	-15,527	77.5%
Employees	-8,106	40.5%
Suppliers	-2,894	14.4%
Government, organisations and institutions, communities	-1,460	7.3%
Shareholders, holders of equity instruments and third parties	-3,067	15.3%
ECONOMIC VALUE RETAINED	4,510	22.5%



Integrity in corporate conduct

RELEVANT ISSUES

Fighting against corruption	page 84
Combating money laundering	page 86
Compliance with tax regulations	page 87
Protection of free competition	page 90
Privacy and data protection	page 90
Compliance with labour laws	page 92
Audits	page 92
Disputes and fines	page 93

WHY THESE ISSUES ARE RELEVANT

The Intesa Sanpaolo Group recognises that compliance with internal and external regulations and codes of conduct is of significant importance, also from a strategic viewpoint, and therefore it acts in the belief that respecting standards and fairness in business (combating active and passive corruption, combating money laundering, compliance with tax regulations, protection of free competition, privacy protection and compliance with the rules governing employment relationships) are essential elements in carrying out banking operations, which by nature are based on trust and transparency.

Indeed, Intesa Sanpaolo believes that compliance with standards encourages the creation and maintenance of a competitive economic environment and protection of customer rights, which contributes to the development of local areas and communities.

The Group is committed to pursuing its corporate goals with honesty, fairness and responsibility in the full and true respect of the rules and professional ethics and in the spirit of signed agreements, implementing high compliance standards for all Group's people.

PERFORMANCE INDICATORS AND RESULTS ACHIEVED

Macro-issue	Projects/Indicators	2021 Actions/Results
Fighting against corruption and combating money laundering	Training to prevent corruption and money laundering	<ul style="list-style-type: none"> 75,893 Group's people trained (78.5% of the total) 248,739 hours provided Training on anti-corruption and anti-money laundering is mandatory and follows multi-year cycles, also according to local regulations
	Disciplinary sanctions against Group's people due to corruption	0
	Dismissals due to corruption	0
	Internal advice and clearing on transactions in the highest corruption risk areas	374
	Certifications	<ul style="list-style-type: none"> Intesa Sanpaolo obtained confirmation of the ISO 37001 Anti-bribery Management System certification, following the second and last annual audit process (maintenance audit) by the competent certification company
Protection of free competition	Training on free competition	<ul style="list-style-type: none"> 65,336 Group's people trained (67.6% of the total) 1,532,000 hours provided
	Internal requests for antitrust advice and clearing on Group projects	<ul style="list-style-type: none"> Advice and clearing requests were made for 111 initiatives, of which 55 advice and 30 clearing requests have been completed (opinions not subject to changes or updates), with the rest still ongoing

PERFORMANCE INDICATORS AND RESULTS ACHIEVED

Macro-issue	Projects/Indicators	2021 Actions/Results
Privacy and data protection	Training on Privacy protection	<ul style="list-style-type: none"> 62,541 Group's people trained (64.7% of the total) 86,632 hours provided
	Cases of customer data being lost or stolen	<ul style="list-style-type: none"> In Italy 43 cases were assessed, for 40 of which no risk to the rights and freedoms of the data subjects was found and therefore it was not necessary to notify the Italian Data Protection Authority. For the remaining 3 cases the Italian Data Protection Authority was notified Abroad in the EU 39 cases of alleged personal data breach were recorded, 34 of which were found not to pose a risk to the rights and freedoms of the data subjects by the local Data Protection Officers, the remaining 5 cases were reported to the local Authorities
Consumer protection	Training on consumer protection	<ul style="list-style-type: none"> 75,721 Group's people trained (78.3% of the total) 1,853,422 hours provided
Whistleblowing	Whistleblowing reports	<ul style="list-style-type: none"> 35 reports, of which 2 were judged to be not pertinent and 33 were subject to specific investigations

COMPANY POLICIES

Intesa Sanpaolo seeks to act as a reliable and professional partner for the regulators. In this context, the Group actively adheres to the principles of the United Nations' Global Compact that envisage the development of policies for combating corruption, protecting human rights, workers' rights and safeguarding the environment. The Group has defined and implemented a well-structured system of risk assessment throughout the company structures, which is applied according to risk assessment criteria. Adherence to the rules and integrity of corporate conduct are also ensured through compliance activities focused on the monitoring of risk in relation to fighting corruption, anti-money laundering and protecting competition. The Group adheres to the principle of active cooperation in preventing these phenomena, which represent a serious threat to the legal economy.

Intesa Sanpaolo monitors developments in international tax regulations guided by the OECD and aimed at countering base erosion and profit shifting from high-tax to low-tax countries, with the ongoing commitment to adhere to those principles.

Intesa Sanpaolo is continually committed to implementing regulatory, organisational and technological measures aimed at adequately meeting the needs of privacy protection.

Internal auditing involves constant and independent monitoring of the due conduct of the Group's operations and processes. Reference is made to individual paragraphs for further information on the policies defined by the Group in each relevant area.

FIGHTING AGAINST CORRUPTION

The Group's Code of Ethics provides that business goals are pursued with honesty, fairness and with a sense of responsibility in full compliance with the rules, professional ethics and spirit of signed agreements. It recognises the strategic importance of the work aimed at ensuring compliance with internal and external regulations and codes of conduct, and sets high standards of compliance for all Group's people, which are also included in the Code of Conduct. It also establishes Intesa Sanpaolo's commitment to contributing to combating corruption, supporting the OECD (Organisation for Economic Co-operation and Development) Guidelines, and the anti-corruption principles established by the United Nations in 2003, including by taking a "zero tolerance" approach. The Group has adopted strict internal procedures and specific Guidelines over time to prevent the risk of corruption.

MODEL FOR THE MANAGEMENT OF ADMINISTRATIVE LIABILITY PURSUANT TO ITALIAN LEGISLATIVE DECREE 231/01

Italian Legislative Decree no. 231/01 (the Decree) establishes a system of administrative liability for Italian Companies for certain specifically identified crimes or offences, committed in their interest or for their benefit. Intesa Sanpaolo has long had an Organisational, Management and Control Model in place that defines the principles of control and conduct to be adopted to reduce the risk of committing crimes and offences envisaged by the Decree, including corruption and environmental crimes.

In preparing the Model, the Bank took into account all the existing regulations, procedures and control systems, insofar as they were also suitable as measures for preventing crimes and illegal conduct in general, including those envisaged by the Decree.

The Bank identified the following as specific instruments already existing and aimed at planning the formation and implementation of company decisions and carrying out controls on business operations, including in relation to crimes and offences to be prevented:

- the corporate governance rules, adopted in compliance with the Corporate Governance Code for listed companies and the relevant company regulations and regulatory legislation;
- internal regulations and company policies;
- the Group's Code of Ethics, Internal Code of Conduct and Anti-Corruption Guidelines;
- internal control system;
- power and delegation system.

The Board of Directors delegates the structures the task of implementing the Model and ensuring the constant updating and implementation of internal regulations and company processes, which are an integral part of the Model, in compliance with the principles of control and conduct defined for each sensitive activity.

The effective and concrete implementation of the Model is also guaranteed by:

- the Surveillance Body, in exercising the powers of initiative and control in relation to the activities carried out by the individual organisational units in sensitive areas;
- the heads of the Bank's structures in relation to the risk activities carried out.

Without prejudice to the independent responsibility of each Italian-registered company of the Group regarding the adoption and effective implementation of its own Model, Intesa Sanpaolo in performing its duty as the Parent Company issues general criteria and instructions, and verifies the compliance of company Models with those criteria and instructions. During 2021, the Italian Group companies almost completed the updating of the Model, in line with that of the Parent Company, in relation to the evolution of external regulations (Legislative Decree no. 75/2020 on the fight against fraud to the Union's financial interests).

To provide the Surveillance Body with an overall picture of the planning of the various control structure activities, the Compliance function collects the respective plans from the relevant structures on an annual basis regarding the scheduled supervision of sensitive areas and incorporates them into the 231 Audit Plan. On the basis of this document, the Surveillance Body assesses the adequacy of the programme of audits and identifies any further actions.

The heads of the organisational units involved in sensitive processes pursuant to the Decree certify the level of implementation of the Model, by means of an overarching self-diagnosis process on the work carried out.

Finally, constant attention is ensured to the training and dissemination of the compliance culture: in this regard, the remote training course initiative for the 2019-2021 three-year period was completed.

The Group's Anti-Corruption Guidelines, adopted as of 2017, identify the principles and the sensitive areas and define the roles, responsibilities and macro-processes for the management of this risk, further strengthening an internal regulatory framework which already consists of the Code of Ethics, the Group's Internal Code of Conduct and – for the Italian Group companies – the Organisational, Management and Control Model adopted pursuant to Italian Legislative Decree no. 231/2001.

The Guidelines define the commitment to comply with the regulatory provisions aimed at combating corruption in all its forms, where corruption means the direct or indirect offering or acceptance of money or other benefits capable of influencing the recipient, in order to induce or reward the performance of a function/activity, or alternatively its omission. In line with international best practices, the Group does not tolerate:

- any type of corruption, in any form, manner or jurisdiction, not even if activities of this kind are permitted, tolerated or not prosecuted under the laws in force in the countries in which the Group operates;

- any conduct involving the offer or acceptance of money or other benefits – directly or indirectly – with the aim of inducing or rewarding the performance of a function/activity, or alternatively its omission.

Monitoring in this area is assigned to the Anti Financial Crime Head Office Department, and its Manager is allocated the role of Group Anti-Corruption Officer.

The Anti-Corruption Guidelines were approved and adopted by the Group Italian and international companies. In 2021, there were continued checks on the consistency of the detailed internal regulations with the general principles set out in the Anti-Corruption Guidelines, in order to implement the necessary alignment, in addition to a detailed analysis of the anti-corruption controls currently in place in the individual highest risk areas, in order to identify any strengthening measures. In particular, the process regulations regarding the disposal of non-performing loans, financial equity investments, management of real estate assets and the recruitment and selection of employees in management positions were updated.

In April 2021 Intesa Sanpaolo obtained confirmation of the ISO 37001 Anti-bribery Management System certification, following the second and last annual audit process (maintenance audit) by the competent certification company.

In consideration of the significant potential regulatory risks, the Board of Directors of Intesa Sanpaolo resolved, at the meeting held on 23 March 2021, to renew the certification process for the 2022-2024 three-year period, thereby extending the certification scope to the Group. The certification scope coincides with the Group Italian and international companies consolidated in the Group's Anti-Financial Crime Risk Assessment, as well as the Group insurance companies operating in the non-life business.

During the year, the Anti Financial Crime Head Office Department processed 374 advice and clearing files for specific operations in the highest corruption risk areas, particularly concerning the purchase, management and sale of equity investments and other assets, donations, sponsorships and relationships with suppliers, the hiring of personnel, and gifts.

In 2021, specific classroom training initiatives were held for compliance personnel and, finally, the provision of the e-learning course for the Group's people operating in Italian companies and at international branches continued. In addition, a training course was implemented for Group's people in international companies with mandatory participation by March 2022.

There were no cases of disciplinary measures related to corruption incidents.

There were no significant penalties for non-compliance with laws or regulations relating to corruption.

COMBATING MONEY LAUNDERING

Intesa Sanpaolo pays particular attention to compliance with national and international regulations aimed at combating money laundering and terrorist financing, which it recognises as a serious threat to the legal economy with destabilising effects for the banking system, and it adheres to the principle of active cooperation in preventing these phenomena.

In compliance with the legislative provisions of the legislator and the sectoral supervisory authorities, and based on the international standards contained in the FATF (International Financial Action Task Force) Recommendations, the Group has adopted procedures, instruments and controls designed to mitigate the risk of being involved, even unknowingly, in acts of money laundering, terrorist financing, violation of embargoes and arms regulations.

The Group's governance system to combat money laundering and terrorist financing is based on Guidelines that constitute a systematic and functional reference framework, with active collaboration by the Group in preventing these illegal activities. Specific processes and procedures are in place in the areas of obligations of customer due diligence, reporting of suspicious transactions, storage and provision of data, information and documents, risk assessment and management, internal control and guarantee of compliance with all of the relevant provisions to prevent and impede the completion of transactions connected to money laundering, terrorist financing, violation of embargoes and arms regulations. The guidelines and standards established by the Parent Company are developed and implemented within the individual operating structures in accordance with the characteristics and complexity of the activity carried out, as well as in accordance with their size and organisational structure, in compliance with the requirements of local regulations and ensuring the sharing of information at a consolidated level.

Procedures that provide automatic checks on the Group's register and transactions have been active for some time now, in order to mitigate the risk of having customers included in the list of entities subject to restrictions or freezing of assets (black list). The Group has also adopted a stricter approach, going beyond the regulatory requirements, by envisaging more detailed assessments of credit and reputational aspects to prevent its involvement, in any capacity, in transactions with counterparties or countries under embargo, even if the transaction is among those permitted by the restrictive provisions issued by the international authorities. More specifically, the following activities were completed in 2021:

- in relation to the programme aimed at the integration of the former UBI Banca Group into the Intesa Sanpaolo Group;
- as envisaged in the remediation plan following the findings resulting from the inspection carried out by the FIU (Financial Intelligence Unit) between 2019 and 2020 aimed in particular at strengthening the information exchange process in relation to potentially suspicious cross-border intragroup transactions;
- the residual steps for adaptation to the Decree implementing the V Anti-Money Laundering Directive.

The activities of the multi-year programme for the overall review and strengthening of anti-money laundering, embargoes, anti-terrorism and anti-corruption controls at Group level (ENIF Programme - Enabling Integrated Anti Financial Crime) also continued.

RELATIONS WITH POLITICAL PARTIES AND MOVEMENTS

The Intesa Sanpaolo internal policies establish that political parties and movements cannot be recipients of donations and sponsorships. With regard to the financing of political parties, connected associations and individual candidates, specific rules state that the only form of new credit concession for them, that can solely be decided upon by the Board of Directors, consists of the advance on an annual basis of the “2x1000 contribution” against the transfer, to be notified in accordance with the law, of the sums due to the parties for this form of contribution. In 2021 Intesa Sanpaolo did not grant financing in this area.

COMPLIANCE WITH TAX REGULATIONS

In compliance with the Code of Ethics, the entire Group is committed to observing principles based on values of honesty and integrity in managing tax matters, compliance with the tax regulations applicable in the countries in which the Group operates, and maintaining a collaborative and transparent relationship with the tax authorities, including through adherence to cooperative compliance schemes.

Intesa Sanpaolo places a particular focus on the evolution of tax regulations, both on a domestic and international level, aimed at countering base erosion and profit shifting, with the ongoing commitment to adhere to those principles. The Group has strengthened the internal control system for tax risk, known as the Tax Control Framework, to make it capable of covering the strategically important area of tax risk and meeting the requirements for access to the collaborative compliance scheme introduced in Italy, in accordance with Italian Legislative Decree no. 128/2015. On 10 December 2018, Intesa Sanpaolo was granted access by the Italian Revenue Agency to the Cooperative Compliance scheme, starting from 2017 when the application was submitted. Under this scheme, Intesa Sanpaolo and the Italian Revenue Agency can perform joint assessments on certain situations that could lead to tax risks thanks to ongoing, preventive contact, with a view to resolving any potential disputes before they occur.

In December 2017, the Intesa Sanpaolo Group adopted a tax strategy through the Principles in relation to tax matters [1], in order to ensure compliance with the tax and fiscal rules of the countries where it operates over time, and to guarantee the financial and reputational integrity of all the Group companies. In particular, guidelines have been established to ensure uniform management of taxation at all Group companies, based on approach of: (i) correct and timely determination and payment of taxes due by law and performance of the related obligations, (ii) containment of tax risk, understood as the risk of operating in violation of tax regulations or in conflict with the principles or with the aims of the legal system in the various jurisdictions in which the Group operates, both due to outside factors (primarily, uncertainty of the interpretation of tax laws due to ambiguity or lack of clarity of tax regulations) and internal factors (usually, incorrect and/or untimely compliance with mandatory requirements, failure to detect regulatory changes affecting the taxation of the Group; and transactions that may be challenged by the tax authorities as abusive).

The principles set out in the document are as follows:

- Corporate Responsibility - The Group, in compliance with the Corporate Responsibility principle, acts according to the values of honesty and integrity in the management of tax matters, in the knowledge that revenue from taxes is one of the main sources of resources contributing to the economic and social development of the countries in which it operates.
- Legality - The Group adopts conduct based on compliance with the tax regulations applicable in the countries in which it operates and on interpretations that allow it to manage tax risk responsibly, so that it can satisfy the interests of all its stakeholders and ensure its positive reputation.
- Tone at the top - The Board of Directors defines the principles of conduct in relation to Group tax matters and ensures its application, therefore assuming the responsibility of driving the spread of a corporate culture based on the values of honesty and integrity and principle of lawfulness.
- Relationship - The Group maintains a collaborative and transparent relationship with the tax authorities, guaranteeing, among other things, to provide them the information needed to fully understand the circumstances underlying the application of tax rules. To this end, Intesa Sanpaolo encourages the Group

companies to adhere to cooperative compliance schemes, which supplement the national regulations, in order to create stronger relationships with the tax authorities.

The Principles of conduct in tax matters are adopted by Intesa Sanpaolo including in its capacity as Parent Company and are approved by the Board of Directors. On this assumption, the Principles must be implemented by all Group companies, subject to resolution of their bodies with strategic supervision duties. The interpretation of the provisions contained in the Principles of conduct on tax matters is the responsibility of the Parent Company which, through the Tax Department, also takes care of updating them.

The Guidelines were also approved for the management of tax risk within the collaborative compliance scheme with the Italian Revenue Agency, which govern the criteria and processes that Intesa Sanpaolo must adopt to ensure the adequacy and effectiveness of its Tax Control Framework, as well as the related Rules.

The types of tax risk that may arise in the context of business processes have been identified by Intesa Sanpaolo as:

- Tax compliance risks. These are risks of an operational nature and arise in both business processes (such as risks of not correctly performing all the operational tasks necessary to ensure correctness – in terms of completeness, accuracy and timely processing – of the relevant data for tax purposes), and in specific tax compliance processes (from data collection through to its processing and preparation of tax declarations/ payments and communications sent to the tax authorities);
- Tax risks of an interpretative nature in transactions/routine operations. This type of risk relates to the uncertainty about the actual meaning of the regulations and the classification of actual cases with respect to theoretical circumstances, and arises within the following processes: regulatory alignment, advice given to the Structures of the Bank and interpretation choices adopted in tax compliance processes;
- Tax risks of an interpretative nature in non-routine transactions. These risks arise whenever non-routine transactions/operations are carried out, which are characterised by objective and defined uncertainty regarding the risk of adopting incorrect interpretations or, in any case, interpretations that are contrary to the principles and aims of the tax system. Intesa Sanpaolo has adopted tax risk management processes and procedures, in compliance with the Principles of conduct in tax matters, which ensure, among other things:
 - the correct assignment of roles, responsibilities and powers to each party involved, in whatever capacity, in processes with tax implications in order to ensure proper management of tax risk and minimise the likelihood of disputes;
 - the involvement of the Tax Department in business decisions. Intesa Sanpaolo's processes must ensure full and constant involvement of the Tax Department in business decisions, with the aim of encouraging informed decisions in the event of a significant tax risk.
- Risks of tax fraud committed by third parties. This refers to the risk of incurring violations of tax laws as a result of fraudulent tax conduct carried out by third parties.

The business functions and the Head Office Departments that carry out transactions with potential tax impacts must comply with the Principles of conduct in tax matters and the Guidelines in the performance of the activities for which they are responsible. If the clearing processes adopted by the Bank do not already require the involvement of the Tax Department, it is the responsibility of the Business Function (Division or Head Office Department) proposing/structuring the transactions to involve the Head of the Tax Department in advance to allow an adequate assessment of the tax effects and risks arising from their implementation.

The Business Functions or Head Office Departments that carry out transactions with potential tax impacts:

- adopt conduct that is compliant with the guidelines received from the Tax Department, with reference to cases of tax relevance;
- promptly inform the competent corporate functions about changes in operations that may lead to reviewing corporate processes, so that the necessary tax risk assessments may be initiated and suitable safeguards adopted to mitigate their effects;
- carry out the planned first-level monitoring activities in the management of tax risk;
- they are responsible for the implementation of the actions identified, in coordination with Taxation Controls, in order to mitigate the tax risks that have an impact on their respective processes.

Tax risk management, also following the Group Compliance Guidelines, is broken down into the following macro-processes:

- regulatory alignment, aimed at monitoring external regulations and translating them into internal guidelines, processes and procedures, through:
 - the activities aimed at continuously identifying and interpreting the external regulations applicable to the Bank, through the ongoing monitoring of external regulatory sources and the consolidation, in the event of regulatory changes, of a univocal and shared interpretation;
 - the assessment of the impact of the applicable rules on corporate processes and procedures and consequent

proposal of organisational and procedural changes aimed at ensuring adequate monitoring of non-compliance risks;

- advice and assistance to the Bank's corporate bodies and other structures and preliminary assessment of compliance with applicable regulations (clearing) of transactions (routine and non-routine), new products and services to be introduced to the market, innovative projects;
- discussions with the Italian Revenue Agency, in cases where the risk exposure values exceed the agreed-upon materiality threshold. If the tax position that Intesa Sanpaolo intends to adopt is not accepted by the Italian Revenue Agency, its final adoption must be approved by the Board of Directors;
- monitoring of the Tax Control Framework (Assurance): compliance risk monitoring takes place, in addition to preliminary activities, in verifying ex post the adequacy and effective application of internal processes and procedures and of the proposed organisational adjustments for its prevention and, more in general, checking the effective compliance with external and internal regulations by the corporate structures. Control on the Tax Control Framework is carried out by the Head of the Tax Control Office on the basis of an annual audit plan and according to the Group Compliance Guidelines and the Integrated Internal Control System Regulation;
- dissemination of culture: tax risk monitoring also takes place through the dissemination of a corporate culture founded on the principles of honesty, fairness, and respect for the spirit and the letter of the rules.
- information flows to the Corporate Bodies: at least annually, the Board of Directors, the Risks Committee and the Management Control Committee receive from the Head of the Tax Department all the information relating to the main policies and choices followed in the tax area, the progress of the discussions with the Italian Revenue Agency in the context of cooperative compliance, as well as with regard to the outcomes of the audit activities, including on the adequacy of the TCF, carried out during the period by the Head of Taxation Controls. The Head of the Tax Department also promptly reports any non-compliance issues and events deemed to be particularly significant to the Corporate Bodies;
- tax risk management process of an interpretative nature: regulatory alignment and advisory and clearing activities, as well as the preparation of tax returns, involve interpretative choices on the applicable regulations. In making these choices, the Tax Department must assess the degree of certainty of the position it intends to adopt. If the interpretation presents a high degree of uncertainty and has a significant impact on business operations, the Tax Department measures the exposure to tax risk, the acceptance of which is resolved upon, according to its relevance, pursuant to the approval thresholds set out in the Guidelines. The methods used to assess the degree of certainty of the interpretation and the related impact on the Bank's operations and to determine the tax risk are defined by specific internal regulations and shared between the Tax Department and the Compliance, Governance and Controls Head Office Department and, within the scope of their responsibility, with those of the Chief Risk Officer.

Intesa Sanpaolo, in adopting tax risk management processes and procedures, in compliance with the "Principles of conduct in fiscal matters", ensures that the tax risk management processes guarantee adequate protection of internal and external stakeholders, both in terms of risk mitigation (also in consideration of possible reputational impacts), and in more general terms of safeguarding shareholders' value, defined as the interest of stakeholders in not diminishing corporate value.

During 2021¹, the Group, in addition to indirect taxes of 1,170 million euro, recorded accrued income taxes for the year of 1,623 million euro, for the most part in Italy, where the majority of operating income was earned, as per the table below.

¹ The comments refer to the reclassified and recalculated data published in the 2021 Consolidated Financial Statements of the Intesa Sanpaolo Group, which can be referred to for additional details or information.

2021 data [millions of euro]	Italy	Europe	Rest of the world
Taxes on income	-1,041	-480	-102
Operating income	16,454	3,471	861

The International Branches are presented in the geographical breakdown in relation to the country where these branches are located. As far as taxes on income are concerned, since Intesa Sanpaolo did not apply the option for the scheme of income exemption for international branches (known as Branch exemption), these branches' income is also taxed in Italy.

In compliance with the applicable regulations, Intesa Sanpaolo also publishes a country-by-country disclosure in which the following information is provided for each country (according to the rules established by the Bank of Italy): gross income, number of employees, profit or loss before tax and tax on profit or loss. The report is available at the following link [\[1\]](#).

PROTECTION OF FREE COMPETITION

The Group constantly monitors and promotes free competition, and spreads a culture of compliance with antitrust regulations, working to ensure that the international, European and national rules and procedures are effectively applied and observed.

In the Group's Code of Ethics, Intesa Sanpaolo declares its commitment to compete fairly in the market and cooperate with other economic, private and public entities, whenever necessary, to strengthen the overall capacity of the countries where the Group operates. The Bank has an ongoing commitment to manage relations with institutions and organisations, in monitoring existing regulations and in conducting attentive advocacy on any bills that could impact the activities of the Group and of its stakeholders at the national, European and international level, with a view to limiting legal, economic and reputational risks and exploiting new opportunities.

Due to the growing importance of antitrust issues, the Group has long since adopted a risk control system for antitrust compliance, under the responsibility of the Institutional Affairs Department. In this regard, it has adopted an extensive Antitrust Compliance Program that among its key elements includes the establishment of a specific internal team to monitor compliance with antitrust rules, the adoption of a Group Antitrust Regulation (which has incorporated the Antitrust Compliance Policy), the Antitrust Rules of Conduct and the Antitrust Inspections Rules, as well as a training and information programme. The control of this area has been extended beyond the more traditional forms of antitrust (mergers, abuses of dominant positions and agreements) to also include EU regulations on state aid and the recent Italian regulations in support of Italy's competitiveness.

In 2021 the Group continued to raise awareness and spread the culture of antitrust compliance within the Group through the creation of 11 Web TV clips, the publication of 14 articles for the Group's communications magazine "Mosaico" (also translated in English) and the circulation of specific "Antitrust Update" reports. In addition, a dedicated course is available in Italy, which, as from 2021, can also be accessed by the Group's International Subsidiary Banks/Companies in English.

PRIVACY AND DATA PROTECTION

Intesa Sanpaolo is continually committed to implementing regulatory, organisational and technological measures aimed at adequately meeting the needs of privacy protection. These actions reflect the principles of the Group's Code of Ethics which commit the Bank to adopting criteria of absolute transparency in informing customers and employees about their data privacy rights and how their personal information is processed. This commitment is set out in Corporate rules for the processing of personal data and in Guidelines on the protection of personal data of natural persons, approved by the Board of Directors, which provide an overall framework for conduct for all Bank staff, as well as for those who work in cooperation with it. The EU Regulation no. 2016/679 of the European Parliament and Council of 27 April 2016 (General Data Protection Regulation - GDPR), which came into force on 25 May 2018, makes each data controller responsible, based on the principle of accountability, for implementing regulatory, organisational and technological measures to adequately comply, following a risk-based approach, with the regulatory principles of the GDPR: Data Protection by design and by default, appointment of the Data Protection Officer, Privacy Impact Assessment, Register of Processing Activities, subjective role of Third Parties, and Data Breach. The GDPR alignment project, under the responsibility of the Privacy structure, defined the organisational measures and, at the end of 2021, also completed the technological and IT security measures needed to comply with the requirements of the European Regulation in Italy and for the Group companies located within the EU, following a risk-based logic and depending on the solutions available on the market and the complexity of the measures.

The Data Protection Officer provides supervision, for the Parent Company and the Group Companies that have signed specific service agreements, of the privacy regulations, ensuring the adoption of the related updates and regulatory alignment, in addition to compliance with the provisions of the Italian Data Protection Authority. The Data Protection Officer relies on the support of the Privacy Function of the Safety and Protection Head Office Department, whose organisational structure evolved during the year 2021 and is now divided into Privacy Advisory - Relations with the Italian Data Protection Authority and Data Subjects - Controls and Privacy Reporting Office, in order to provide a better response to operational specificities. The Privacy Function conducts prior assessments on the compliance of new products, initiatives and services involving the processing of personal data, and represents the Company before the Italian Data Protection Authority during inspection procedures. The Data Protection Officer assesses the role performed by the Group's suppliers/Third Parties based on the provisions for the processing of personal data contained in the contracts, and supports the business and support structure in preparing any letters of appointment as Data Processor, and in updating the Register of Processing Activities. It also updates and publishes the List of Third Parties that process the personal data of customers and employees; within the scope of the controls framework, it conducts periodic checks on compliance with contractual provisions on personal data processing by Suppliers/Third Parties designated as Data Processor. The Data Protection Officer manages the responses to the Italian Data Protection Authority and the interested parties, following reports or complaints submitted to the Authority. It also processes customer requests associated with Data Subjects' rights in compliance with the legal provisions and the measures issued by the Authority, and oversees training on privacy, in collaboration with the designated structures, through the provision of mandatory training courses on the protection of personal data offered online. For the other Group Companies, the Data Protection Officer performs a role of guidance, coordination and control, overseeing the correct application of the Group guidelines and regulations on privacy, and provides support and advice for the performance of the current activities in this area. For the Group, it ensures control of the compliance risk in relation to privacy regulations, performing the role of Specialist Function set out in the Group Compliance Guidelines, in particular by overseeing compliance risk with data protection regulations for the Parent Company and the Group companies with which it entered into specific service agreements, with the verification of the adequacy and effective application of internal processes and procedures and the organisational adjustments suggested and, in general, through the control of actual compliance with external and internal regulations by the corporate structures. The Function updates the Register of Processing Activities for personal data performed by the Parent Company and the Group Companies under centralised management, with the cooperation of the business and support functions, and provides assistance with regard to other Group companies.

As part of the annual auditing plan, the Internal Control Function carries out periodic checks on the compliance of the activities with personal data protection regulations and the correct compliance with the provisions issued by the Data Protection Authority on these matters. This commitment allows for the mitigation of reputational and non-compliance risks in the processing of personal data, also with respect to the lawfulness and fairness of the processing, the purposes of the processing and its relevance, and the completeness and non-excessive nature of the data collected.

With regard to requests received from customers regarding personal data protection, in Italy 140 reports were received in 2021 for alleged instances of non-compliance (113 of which related to Intesa Sanpaolo S.p.A.) and 15 requests (11 of which for complaints from customers and 4 for information/documentation requests) from the Italian Data Protection Authority regarding companies belonging to the Group, for which the necessary responses were given.

In 2021, 43 cases (26 of which related to Intesa Sanpaolo S.p.A.) of loss or theft of data of customers of the Group (Data Breach) were assessed in Italy, 40 of which (25 related to Intesa Sanpaolo S.p.A.) were not found to pose a risk to the rights and freedoms of the data subjects and therefore it was not necessary to notify the Italian Data Protection Authority. For the remaining 3 cases it was deemed necessary or prudent to notify the Italian Data Protection Authority and/or the data subjects.

The international Companies established in the European Union reported a total of 39 incidents/events of alleged personal data breach, of which 5 reported to local authorities, while for the remaining 34 the local Data Protection Officers did not detect a risk to the rights and freedoms of the data subjects so it was not necessary to notify the respective Data Protection Authority.

COMPLIANCE WITH LABOUR LAWS

Consistent with the commitment set out in the Code of Ethics for the development of a working environment permeated by mutual trust, loyalty and enriched by the contribution of each person, the management model in this area is based on national and second-level (Group) collective bargaining agreements. Compliance with these rules, in addition to the legal provisions, is instrumental to improving the working environment, with a view to continued growth in the quality of relations between the Company and its personnel and customers. Thus, they have the goal of asserting the need for a transparent and sustainable work organisation, with clear operational responsibilities at the various levels to continuously ensure compliance with the rules and the prevention of non-compliant behaviour, identifying measures that ensure the effective encapsulation of company objectives and worker expectations in terms of the working environment and internal relations. Responsibility for management, and consequently also for monitoring the effective application of the trade union agreements, is assigned to the Labour Affairs and Policies Head Office Department. The protocol for Labour Relations identifies the methods to enable joint research between the Company and Trade Union Organisations on solutions to improve the well-being of the Group's people and make a positive contribution to productivity with advanced and innovative responses in the area of pensions, assistance and services for families, education and an improved work-life balance. In general, the number of labour lawsuits is small: 40 cases for violations of labour law were notified in 2021 and around 149 cases were closed. The main types of pending litigation include the termination of employment relationships – sale of business line (Intrum), compensation for damages for deskilling and mobbing, higher job positions and appeals of disciplinary sanctions (in any event in 2021, no lawsuits were reported by current Group's people that related solely to cases of mobbing). There is no evidence of cases of discrimination that have led to investigations for measures to be issued under formal procedures or processes. Ongoing monitoring has also been conducted on compliance with the rules laid down by the Internal Code of Conduct, through carrying out investigations of potentially abnormal situations. 2021 saw the continuation of the training initiative launched in 2020 aimed at maximising knowledge of the Group's Internal Code of Conduct with a view to risk prevention; following a first training course of a general nature, three additional mandatory courses on specific topics of the Code were made available to all employees. Similar training initiatives were launched on the subject of "Rules for combating sexual harassment", a topic which was dealt with on two occasions by the inter-functional working group set up for the management of potential cases of this kind. These training initiatives, intended for all personnel, were also accompanied by a specific training course aimed at the Chief and Executive Directors (so-called Compliance Talks) and a series of initiatives managed together with the local Audit structures concerning the "Risk Culture" targeted at Branch Managers and Area Managers from former UBI Banca or newly appointed in order to involve the Business Functions on these issues, with a view to increasing risk awareness and promoting a proactive approach in anticipating emerging and future risks. Lastly, in agreement with the International Subsidiary Banks Structure, work was launched for the adaptation of the Code in line with local regulations in order for the renewed text to be implemented also by International Subsidiary Banks. Specifically, 13 international companies were involved, which incorporated the text of the Italian Group Code translated into English into their respective corporate bodies, which has therefore become part of their body of regulations. Following this approval, working groups were set up with the individual companies in order to adapt/harmonise the respective codes to bring them into line with both the Group regulations and local laws. Work for Intesa Sanpaolo Bank Albania, Intesa Sanpaolo Bank Romania, VUB Bank, Pravex Bank, Eximbank and Alexbank has already been completed. The remaining working groups will continue in 2022 and similar transposition and harmonisation activities will be launched with the international companies managed by the IMI Corporate & Investment Banking Division and by Fideuram-Intesa Sanpaolo Private Banking.

AUDITS

The planning of Audits is coordinated by a specific internal structure, which supports the Chief Audit Officer in setting and assigning medium/short term objectives and plans to the Auditing Responsibility Centres, which are internal structures focused on specific sectors (e.g. head office functions, ICT, branch network, product companies, etc.). The planning takes into account the findings from risk analysis, the requests from the Company Management and Control Bodies, and from Top Management, as well as the obligations arising from external regulations and instructions from the Supervisory Authorities. In terms of timing, it is divided into:

- Multi-year Strategic Planning: in line with the company's strategic guidelines;
- Annual Operational Planning: annual audit plan, subject to approval by the Bodies;
- Quarterly Operational Planning.

In 2021, at the end of the integration process between Intesa Sanpaolo and UBI Banca, the structure of the Chief Audit Officer departments was revised, which led to the establishment, among other things, of the Audit Global & Strategic Risks Head Office Department, which is also responsible for the cross-cutting control of risks connected to ESG issues.

As required by international standards, the Internal Audit Department is subject to an external Quality Assurance Review at least every five years. The most recent one ended in the first quarter of 2019 with the confirmation of the highest possible rating (“Generally Compliant”). In addition, on an annual basis, the Internal quality assurance and improvement plan is prepared, which is included in the Annual Plan submitted for approval to the Corporate Bodies. At the international level, the audits are structured in such a way as to ensure the direct monitoring of Intesa Sanpaolo’s international branches and guarantee supervision of the Central Structures and the Banks and Companies of the International Subsidiary Banks, Private and Asset and IMI CIB Divisions (for International Subsidiary Banks, the dedicated Parent Company Offices ensure the governance of the activities carried out by the local audit units and, where necessary, a direct audit activity).

With regard to the audits carried out in 2021 in the Central Structures, Banks and Group Companies, the activities regarding the 258 Risk Areas identified in the planning phase were completed, with the completion of 308 audits (69 of which “extraordinary”, originating from specific requests of Corporate Bodies, Supervisory Authorities or from events/circumstances occurring after the completion of the annual planning)¹. In 2021, 100 audits were reported as significant for the purposes of Italian Legislative Decree no. 231/2001. Among these, 8 concerned activities related to corruption risk; these latest audits involved 9 Governance Areas/Divisions (some interventions involved several Governance Areas/Divisions).

In 2021, there were 36 audits regarding actions that directly or indirectly related to aspects linked to social and environmental policies. However, it should be noted that other audits may also cover ESG aspects to a more marginal extent: for example, initiatives relating to loan disbursement and management may also concern aspects related to the rules on transactions in sectors deemed sensitive from an ESG profile.

A first transversal audit on ESG issues with the aim of analysing the status of the internal framework and the ongoing projects within a more structured multi-year schedule of checks on these issues was concluded at the end of 2021.

WHISTLEBLOWING

Since 2016, a whistleblowing system has been in place, which allows employees to report actions or occurrences that could constitute breaches of the regulations governing banking activities (whistleblowing). Whistleblowing, which ensures the confidentiality of the individual making the report without the risk of retaliatory, unfair or discriminatory behaviour, encourages Group’s people (including supplier and consultant companies) to report acts or conduct they become aware of that may constitute a breach of the regulations governing banking activities or related activities that may also be instrumental to a breach or other illicit conduct. The Chief Audit Officer is responsible for ensuring the correct performance of the process; in 2021 a total of 35 reports were received, of which 2 were judged not pertinent whereas 33 resulted in the launch of specific investigations.

DISPUTES AND FINES

As of 31 December 2021, there were a total of about 43,900² disputes, other than tax disputes, pending at Group level with a total remedy³ sought of around 3,700 million euro. This amount includes all outstanding disputes, for which the risk of a disbursement of financial resources resulting from a potential negative outcome has been deemed possible or probable and therefore does not include disputes for which risk has been deemed remote.

At Group level, at the end of 2021 the total value of the claim for tax disputes (tax, penalties and interest) is 215 million euro, up from 211 million euro at 31 December 2020.

With regard to compliance with environmental regulations, for damage caused to the environment as a result of the Bank’s operations and in relation to health and safety, over the last three years, no significant reports emerged and no fines were imposed (see page 223).

With regard to labour litigation, at the end of December 2021 there were no significant disputes from either a qualitative or quantitative standpoint.

For information on the legal risks and the most significant civil, administrative and penal lawsuits, please refer to the Consolidated Financial Statements (see pages 548-564) [i].

¹ In addition, 8 audits were completed which were underway as of 31/12/2020.

² These include approximately 25,000 disputes (of which approximately 19,500 arising in 2021) relating to the subsidiary Banca Intesa Beograd and concerning actions brought by customers challenging the validity (1) of certain charges provided for in loan agreements and (2) of charges relating to insurance for real-estate loans (both types of dispute are common with other banks in the country). Although numerically significant, the average value of the claims is quite modest: overall, the remedy sought relating to the two types of disputes is slightly more than 3 million euro.

³ The figures for the remedy sought do not include claims of indeterminate value, i.e. those that do not contain a specific financial claim when the dispute is initiated; the value of these disputes is determined during the course of the proceedings when sufficient information emerges for the valuation.



Quality of service and customer satisfaction



Quality of service and customer satisfaction

RELEVANT ISSUES

Service quality	page 96
Customer protection and responsible sales	page 101
Customer health and safety	page 102

WHY THESE ISSUES ARE RELEVANT

The Group is focused on providing top-quality banking, financial and insurance products and services to its customers, fostering the development of the areas in which it operates. The service model is organised on business areas with an organisational structure that guarantees monitoring in both Italy and the other countries in which it operates. Dialogue with its customers represents a constant commitment for the Group, in order to maintain the relationship at a level of excellence. Intesa Sanpaolo makes the information it provides to its customers clear and comprehensible in all stages of their relationship with the Bank through simple language and transparent policy statements. Elements of attention for the Group are also the protection of the health and safety of people: the management of physical safety risk is of fundamental importance for the protection of the physical integrity of people, whether they are staff, customers or suppliers.

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Projects/Indicators	2021 Actions/Results (cumulative value since the start of 2018 or 2020 value)	2021 objectives
Quality of service and customer satisfaction	Net Promoter Score (*)	NPS Retail: 21; NPS Exclusive: 19; NPS Businesses: 20; NPS Third Sector: 25; NPS Agribusiness: 14. In 2021, the survey consisted of about 470,000 responses from Retail customers, 72,000 from Exclusive customers, 35,000 responses from Business customers, 9,500 responses from Third Sector customers and 13,400 responses from Agribusiness customers.	Enhancing the quality of service levels
	Average response times to customer complaints and appeals (Parent Company) in line with reference regulations (RR)	Investment products and services: 44.5 days (vs RR 60 days); Insurance products and services: 26.8 days (vs RR 45 days); Payment services: 22.5 calendar days (vs RR 15 business days); Ordinary: 21.5 days (vs RR 60 days)	Maintaining high performance levels in listening to customers
	Number of robberies	3 (5 in 2020)	Continuous focus on the safety of customers and employees

(*) The NPS is an indicator that expresses the likelihood of customers to recommend a product, service or company, calculated in index points (between -100 and +100) subtracting the percentage of detractors (dissatisfied customers) from the percentage of promoters (loyal customers) obtained. Findings collected from the Banca dei Territori Division customers. The year 2021 relates only to long-term Intesa Sanpaolo customers and includes for the first time responses from Agribusiness customers, launched in June 2021.

COMPANY POLICIES

In keeping with the values and principles of conduct defined in the Code of Ethics, which are based on listening and dialogue, transparency and fairness, and the protection of safety in business relations, the Group places its focus on the customer and strives to maintain excellent relationships. These values and principles are incorporated in the essential standards of behaviour set out in the Group's Internal Code of Conduct. In addition, for specific areas of activity governing the quality of customer relations, there are governance Guidelines and rules based on the initiation of processes which, adopting models involving high levels of protection, shape conduct according to criteria of considerable good faith and fairness in relations. Customer health and safety aspects also are monitored with policies that establish principles and rules of conduct and define responsibilities in operational relations in branches.

SERVICE QUALITY

Intesa Sanpaolo has adopted a service model focused on business areas with an organisational structure that guarantees monitoring in both Italy and the other countries in which it operates. The Divisions are responsible for developing the best quality service levels through the various channels, in order to improve the efficiency of the commercial products they offer to the various types of customers. Customer satisfaction and service quality are monitored and overseen by the structures that deal with customer satisfaction and customer experience in the various business Divisions.

LISTENING TO RETAIL AND BUSINESS CUSTOMERS IN ITALY

The Banca dei Territori Division has developed a well-structured and extensive system for listening to customers' opinions which is able to identify factors of customer satisfaction and dissatisfaction and to promptly intercept the areas where action is needed, activating dedicated processes and actions for improvement. The Division's listening system is based on a number of tools:

- the NPS (Net Promoter Score) allows a concise and effective understanding of the customer's likelihood to recommend the Bank through a survey differentiated according to customer segment;
- the NSI (Net Satisfaction Index) is the tool for tracing customers' opinions on key moments relating to processes/experiences of interaction with the Bank;
- the SEIok Programme which contributes towards the determination of the Variable Result Bonus for the Network and offers solid support for improvement in the level of service offered to customers.

NET PROMOTER SCORE – NPS®

The NPS is an indicator that expresses the likelihood of customers to recommend a product, service or company, calculated in index points (between -100 and +100) subtracting the percentage of detractors (dissatisfied customers) from the percentage of promoters (loyal customers) obtained. Intesa Sanpaolo carries out NPS surveys via telephone, email or Internet Banking on Retail, Retail Business, Business, Third Sector and Agribusiness customers.

The listening system was developed even further during 2021:

- for the NPS, by including the new Sales Region for Agribusiness customers;
- for the NSI of the Online Branch, by adding alongside the existing surveys the new form of customer feedback from the Ellis chatbot, a virtual assistant that customers can "chat" with to simplify their search for information and requests for administrative services;
- for the NSI of the digital channels, by continuing to activate numerous new contact points on the digital channels (in particular on the App for Retail customers).

During 2021, almost 2 million customer feedbacks were collected, an increase of 22% compared to 2020.

In addition, 140,000 responses were analysed relating to questionnaires sent to the Group's people to measure internal perception on process and relationship issues. In particular, with the Quality4Network Programme, the monitoring of satisfaction with the services provided by the central structures to the Network was innovated, strengthened and made continuous, with the aim of improving the quality provided and perceived and making the work of the Group's people easier, in particular of those in contact with customers.

In 2021, some new technological elements were introduced to ensure greater inclusiveness of the surveys and ease in taking part for all recipients, both customers and the Group's people. In this context, the main initiatives included the further development of the surveys to allow full and easy access to visually impaired people and the implementation of the system for collecting oral comments.

Net Promoter Score (NPS) by customer type	2018	2019	2020	2021**
Retail*	16	20	21	21
Exclusive*	3	7	15	19
Business	20	11	22	20
Third Sector*	-	-	25	25
Agribusiness	-	-	-	14

Findings collected from the Banca dei Territori Division customers. In 2019 it was established that the reference survey channel was the telephone. Therefore, since 2019 all data has been calculated by applying a correction that makes it possible to make the votes collected through different channels comparable with those gathered by telephone.

(*) Since 2020, the results for Retail and Exclusive customers refer to the Individuals Service Model in force since January 2020, and are compared with the 2019 and 2018 results (already published in the relevant CNFS), which corresponded to the Retail and Personal segments (both to the previous Service Model). Furthermore, the 2020 figure includes the Third Sector for the first time and the Retail Business responses as part of the general Retail responses.

(**) The year 2021 relates only to long-term Intesa Sanpaolo customers and includes for the first time responses from Agribusiness customers, launched in June 2021.

Excluding former UBI customers (for whom surveys were launched in May 2021), the NPS is growing compared to 2020 on the Exclusive customers, is stable on Retail and Third Sector customers and is slightly decreasing in the Business segment.

In May 2021, surveys were launched on former UBI customers, showing the following results: Retail -9, Exclusive -13, Business -7, Agribusiness -16, Third Sector -11. Former UBI customers show a lower NPS than long-term Intesa Sanpaolo Group customers due to the physiological changes related to integration, in particular the change of branch and relationship manager; however, starting from the last quarter of the year, there has been a trend reversal for these customers with NPS improving.

During the year, the “close the loop” system was further reinforced, i.e. closing the quality circle by identifying and implementing effective actions. The new developments include the identification of Quality and Complaints representatives and the enhancement of customer re-contact initiatives, which enable a strengthening of the relationship, improved NPS data collected and reduced risk of dissatisfaction and complaints thanks to active listening. Finally, a platform has been created that aims to make the processes of continuous enhancement of the service quality more effective, by monitoring in a timely manner the areas of improvement identified starting from listening to the opinions of customers and staff and the effective implementation of consequent actions.

QUALITY AND COMPLAINTS REPRESENTATIVE: MONITORING NETWORK QUALITY

In order to more effectively disseminate the culture of the “customer at the centre” and the quality of the service offered, the Banca dei Territori Division has identified a Quality and Complaints representative for each Regional Governance Centre and for the Agribusiness and Impact Departments. The representatives constantly dialogue with their branches, assisting with the uniform dissemination of good practices throughout the territory, in collaboration with the Quality and Complaints unit. Their action favours the increase of NPS and a potential containment of complaints, through the identification of ideas for improvement to be shared with the network within the framework of targeted action plans.

LISTENING TO LARGE CORPORATE CUSTOMERS IN ITALY

As part of maintaining relations with the Large Corporate customers, the customer experience surveys also are designed and conducted regularly on the basis of views shared with the structures responsible for products and services, in order to identify the measures to be taken to improve the range of products and services offered. The results of the surveys are shared on an ongoing basis with the functions engaged in managing relations with customers which, in their approach with the customers, benefit from the information received and can act with greater awareness of and focus on their needs.

During 2021, the IMI Corporate and Investment Banking Division (IMI CIB) designed and developed the following surveys:

- Survey on the satisfaction with the Inbiz portal and on the adoption of the new Client Journey (CJ) modules, in particular treasury, export and user management, developed in several phases, involving about 70 treasurers and more than 1,200 Inbiz users.
- Approximately 200 Italian customers (Corporate, Global Banking & Sovereign Institutions and 52 Foreign Corporate customers) have been involved in a qualitative listening project still in progress to identify investments and customer developments in the digital field, the approach to the National Recovery and Resilience Plan (NRRP), digital needs related to the financial world and expectations towards Financial Institutions in general and IMI CIB in particular.
- About 70 representatives, with the role of Investor Relator of companies belonging to the STAR segment,

were involved in a qualitative online research aimed at understanding how the COVID-19 pandemic had impacted their businesses, but also the ability to react in the short term and the projects for the future. The response rate was 53.5%.

- More than 500 company representatives in the sustainability field of Italian and foreign customers were invited to take part in a research initiative that aims to understand the approach and needs of companies regarding ESG issues to offer solutions in line with the company profile and the constantly evolving market context. The response rate was 16.8%.
- About 30 customers were interviewed by telephone about the service quality offered for Commercial Acquiring services, i.e. the services related to the payment system for large companies, with a particular focus on “red-carpet” assistance. The response rate was 68%.
- 207 customers were involved in an online quantitative study in the Trade Finance area with the aim of assessing corporate customer satisfaction with regard to the management of operations in the international specialist and transactional areas. The response rate was 40%. The Net Promoter Score (NPS) was 51.

LISTENING TO CUSTOMERS IN THE INTERNATIONAL SUBSIDIARY BANKS

In 2021, the International Subsidiary Banks Division implemented a monthly customer listening process, consistent with the methods adopted by the Parent Company, aimed at measuring the quality perceived by customers regarding their relationship with the Bank, the channels used and the products and services offered. Based on this evidence, the banks implemented specific initiatives aimed at improving the level of customer satisfaction and in 2021 this project involved VÚB Banka, PBZ and Banca Intesa Beograd (BIB).

Benchmarking surveys in CIB Bank, Banca Intesa Beograd (BIB), VÚB Banka, Intesa Sanpaolo Bank Slovenia, PBZ, Alexbank in Egypt and Intesa Sanpaolo Bank Albania involved over 12,000 people, including 2,400 direct customers. In addition, the Instant Feedback – NPS listening programme, active in seven banks, allowed about 190,000 customer opinions to be gathered on their relationship with the Bank.

Since 2021, an analysis on the level of complaints has been extended to all the Division’s subsidiaries. With regard to SME customers, Customer Satisfaction surveys were carried out in 2021, both internally and for benchmarking in CIB Bank, BIB and Intesa Sanpaolo Bank Albania, involving over 3,700 companies. The main strengths included the service quality, the staff’s ability to listen and the proactive nature in proposing solutions.

LISTENING TO CUSTOMERS IN THE INSURANCE DIVISION

The Customer Satisfaction survey system in the Insurance Division involves, on a voluntary basis, all the calls received by Customer Service of Intesa Sanpaolo Vita and Intesa Sanpaolo Assicura using a 2-question questionnaire to assess the Service. During the year, the survey addressed to customers following their calls to Customer Service achieved good results. In particular, on a scale from 1 to 5, the average score was 4.3 for general satisfaction and 4.3 for the management of the call.

The initiative is in addition to the one already active for customers from Non-Life business, who in 2021 expressed a significant level of satisfaction; in particular, on a scale from 0 to 10, the average scores were as follows: 8.9 for roadside assistance; 8.6 for Motor liability claims; 8.8 for Land Vehicles Insurance claims; 7.9 for Home Assistance and 8.2 for Home Claims.

LISTENING TO CUSTOMERS IN FIDEURAM - INTESA SANPAOLO PRIVATE BANKING

In 2021, a Customer Satisfaction survey of the Private Banking Division was carried out on the Fideuram and Sanpaolo Invest Networks and the Intesa Sanpaolo Private Banking Network, which took account of the distinctive characteristics of the two service models.

The survey allowed a more in-depth analysis of aspects such as the various points of contact with the customer, including relationships with Private Bankers, customer assistance and online services. The survey received 30,589 replies from customers (21,582 for the Fideuram Network, 5,876 for the Sanpaolo Invest Network and 3,131 for the Intesa Sanpaolo Private Banking Network). The results confirmed a high level of customer satisfaction with all three Networks: the relationship with Private Bankers is always one of the fundamental elements for the appreciation of the service offered; in particular, customers recognise their helpfulness, expertise, ability to offer solutions and also their courtesy.

The following aspects emerged from the survey:

- Fideuram and Sanpaolo Invest Networks: in the current context, there is a further strengthening in appreciation for the solidity, reliability, being part of a large Group, multi-channelling, presence of top-level professionals and the level of attention paid to customers’ needs. Customers indicated financial and equity advice but also online banking as some of the most valuable instruments in their relationship with the Bank. In 2021, the NPS was 49 and the Customer Satisfaction Index (CSI) was 8.5.

- Intesa Sanpaolo Private Banking Network: in addition to belonging to a large group, the professionalism of bankers and branch staff, understanding of customer needs, the ability to make them feel privileged, as well as attention to privacy and the ability to anticipate critical issues, continue to be highly appreciated. In 2021, the NPS was 55 and the CSI was 8.6.

SURVEY ON ESG PRODUCTS IN THE PRIVATE BANKING DIVISION CUSTOMERS

In the customer satisfaction questionnaires addressed to the customers of the Private Banking Division, the opportunity was taken to ask some questions dedicated to issues related to sustainable investments (Environmental, Social, Governance and Sustainable and Responsible Investment) in order to survey the knowledge of customers and their propensity to invest their assets in products with ESG characteristics. As regards customers of the Fideuram and Sanpaolo Invest Networks, the survey found that ESG issues are known to over 60% of customers and 45% of them believe that ESG investments create value for themselves and for the community and the environment, confirming the figures from the previous year's survey. The percentage rises to 59% and 61% if we consider, respectively, the private customer segment and the segment of customers with an aggressive or dynamic risk profile. Moreover, 40% of customers (31% in 2020) are willing to invest more than 30% of their assets in sustainable products. As regards Intesa Sanpaolo Private Banking customers, it emerges that these types of investments are known by over 50% of customers, that 36% already hold some of them in their portfolios (27% in 2020) and that over 64% of the sample would prefer to invest in ESG/RSI instruments, provided the levels of yields are the same.

MANAGEMENT OF COMPLAINTS

The Intesa Sanpaolo Group maintains an ongoing dialogue with its customers to ensure that their relationship remains excellent. The careful and prompt management of complaints and other requests made by customers expressing their dissatisfaction is of fundamental importance for consolidating the relationship of trust and addressing critical situations.

In Italian law, the regulations issued by the relevant supervisory authorities provide for specific information requirements by the Compliance Function, with the aim of reporting at least once a year to corporate bodies and authorities on the overall situation of complaints received, as well as on the adequacy of the procedures and organisational solutions adopted.

The regulatory, procedural and organisational framework adopted by the Group is defined by the Guidelines for managing complaints, protests to the Supervisory Authority and appeals to alternative dispute resolution Bodies, issued by the Board of Directors of the Bank on 5 July 2016 and updated in October 2021.

In 2021, a total of 146,575 complaints¹ were registered at a Group level, broken down as follows:

- Banca dei Territori Division: 2021 was characterised, among other things, by the integration of UBI Banca into Intesa Sanpaolo. This led to complaints (2,798) relating, in particular, to organisational and process issues resulting from contract migrations. These requests, concentrated in the first months of the year, were constantly monitored by the Integration Project so as to identify corrective actions. The requests recorded totalled 81,972 (13% lower than in 2020) of which 63,930 related to the Banks and Companies of the Group² (-3% compared to 2020), 9,313 submitted to Prestitalia (-33%) and 8,729 submitted by former Accedo customers (-38%). The decrease is attributable to the progressive reduction of requests related to the COVID-19 emergency and to the ending of requests relating to the late/failed dispatch of documentation requests aimed at signing up to the Fondo Indennizzo Risparmiatori [Savers' Compensation Fund] (FIR) for compensation for damages resulting from investments in securities issued by the former Venetian Banks. There was an increase in the number of communications relating, more generally, to the quality of the service provided to customers, fraud on payment systems and site and APP malfunctions. Finally, with regard to the management of complaints related to loans with assignment of one-fifth of salary or pension (Prestitalia and former Accedo), the decrease was attributable to the adjustments made to the early repayment procedures of this type of loan, in line with the consolidated guidelines following the ruling of the Court of Justice of the European Union in September 2019 (the "Lexitor ruling") concerning the return of up-front charges, incurred at the time of signing the agreement. During 2021, 60,087 complaints and reiterations were settled, of which 17,352 were accepted and, among these, 2,958 entailed disbursements; a further 2,764 complaints and reiterations relating to the previous activities of Accedo and 2,856 referring to Prestitalia entailed disbursements. Excluding requests submitted by former Accedo customers and Prestitalia customers who, in exchange for the early repayment of loans with assignment of one-fifth of salary, claimed the pro-rata

¹ The claims include complaints and their possible reiteration (customer appeals), appeals to out-of-court dispute resolution bodies (ADR appeals) and requests for clarifications made by supervisory authorities in response to customer reports (reports).

² Banks and Companies of the Banca dei Territori Division (Intesa Sanpaolo, Intesa Sanpaolo Provis, Banca5).

refund of fees and/or charges paid at the time of disbursement, the following are the complaints and reiterations submitted for the various product/service categories:

- payment systems: 20,984 requests (+2%), of which 17,883 complaints and reiterations, mainly relating to the results of requests for the disclaimers of transactions made with payment cards or through internet banking services, as well as errors or delays in the execution of transactions;
 - organisational and management issues and functions of Internet sites: 18,785 requests (+8%) of which 18,358 complaints and reiterations. No longer impacted by the effects directly related to the health emergency, this growth is mainly attributable to some organisational criticalities, already emerged in previous years and amplified during the year, largely concerning the difficulties in contacting the Bank raised by customers and the malfunctioning of the site and APP;
 - loans: 13,706 requests (-11%), of which 12,603 complaints and reiterations. The decrease is attributable to the progressive reduction of requests related to the health emergency (604 complaints and reiterations compared to 2,841 in 2020);
 - current accounts, deposits and securities accounts: 6,505 requests (-3%), of which 6,157 complaints and reiterations, due to errors or delays in processing transactions, mainly in relation to the delayed or failed closure of accounts, economic terms and conditions and their application, and communication problems on the part of the Bank;
 - insurance products: 2,497 requests (-10%), of which 2,436 complaints and reiterations; the prevailing reasons concerned errors or delays in the execution of transactions and communication problems;
 - investment services: 1,453 requests (-48%), of which 1,316 complaints and reiterations. The decrease was mostly due to the progressive ending of requests relating to the late/failed dispatch of documentation requests aimed at signing up to the Fondo Indennizzo Risparmatori [Savers' Compensation Fund] (FIR) for compensation for damages resulting from investments in securities issued by the former Venetian Banks; customer complaints mainly contest errors and anomalies in transactions for the purchase and sale of financial instruments, delays in the transfer of securities to other intermediaries, and dissatisfaction with the performance of financial products.
- IMI Corporate & Investment Banking Division: the number of requests was modest due to the type of transactions carried out and customers served, with 548 requests received from foreign entities (535 from Banca Intesa – Federazione Russa, 8 from International branches and 5 from Intesa Sanpaolo Bank Luxembourg). During 2021, 549 complaints were processed, of which only 316 were accepted and, among these, 6 involved disbursements.
 - Private Banking Division: a total of 4,410 complaints were recorded, with an increase of 18%. Most of the requests were on account of errors in executing orders due to malfunctions of the new “Alfabeto” website; of complaints relating to fraud on credit transfers and payment cards, errors or delays in the closure or transfer of current accounts and securities accounts and in the liquidation of insurance policies. During 2021, 4,132 complaints and reiterations were settled, of which 1,927 were accepted and, among these, 294 entailed disbursements.
 - International Subsidiary Banks: a total of 48,202 requests were registered, with a reduction of 6%. The complaints focused mainly on five companies (VÚB Banka, Privredna Banka Zagreb, Banca Intesa Beograd, CIB Bank and PBZ Card) which registered 94% of requests for the Division and referred mainly to fraud events and/or malfunctions in the payment systems. During 2021, 49,285 complaints were processed, of which 23,047 were accepted and, among these, 4,675 involved disbursements.
 - Insurance Division: 11,233 requests were registered (+10% compared to 2020); the scope of reference for the measurement of complaints was expanded compared to 2020, also including the new Companies that entered the area managed by the Division in 2021¹. On a like-for-like basis, it would show an increase of about 1%.
The total requests recorded by the Life insurance companies were substantially in line with the previous year; on a like-for-like basis, excluding the new Companies in the area, the trend of claims would show a decrease of 24%, focused mainly on the settlement area, which in 2020 had recorded an increase in claims due to delays in the collection of documentation relating to claims recorded in the Covid-19 emergency period and the performance of the financial markets that had negatively affected the settlement values of finance policies. The total requests recorded by the Non-Life Companies show a growth of 2%; Intesa Sanpaolo Assicura, however, recorded a decrease of 9%, thanks to the decrease in complaints relating to motor cover and improvements made to the administrative and liquidation area. Finally, Intesa Sanpaolo RBM Salute recorded a growth of 20% compared to 2020, relating to the constant and progressive increase in complaints from policyholders of the Fondo Metasalute and the number of claims after the first pandemic phase, a circumstance that strongly affected the frequency of contacts by policyholders with the Company, as well as the resonance effect, among policyholders, attributable to the penalty imposed by AGCM in July 2021. During the year, 10,873 requests were processed, of which 2,994 were accepted and, among these, 215 involved disbursements.
 - Asset Management Division: 210 requests were recorded, with a decrease of 23%, mainly attributable to the containment of the effects of the Covid-19 pandemic that in 2020 had recorded an increase in complaints due to the volatility in the markets. The disputes mainly concerned transactions with Eurizon Capital SGR and in particular the collective asset management. In 2021, 201 requests were processed, of which 7 were accepted with a disbursement.

¹ In the Life Business: Assicurazioni Vita and Lombarda Vita (from April 2021); the two Companies were merged by incorporation into Intesa Sanpaolo Vita on 31 December 2021. In the Non-Life Business: Cargeas Assicurazioni (from May 2021).

CUSTOMER PROTECTION AND RESPONSIBLE SALES

TRANSPARENCY TO CUSTOMERS

Intesa Sanpaolo makes the information it provides to its customers clear and comprehensible in all stages of their relationship with the Bank through the simplicity of its language, transparent policy statements, and the consistency among the various documents on the same products/services. The main offer documents, drawn up in line with the clarity and intelligibility requirements, can be found in branches and also on the Bank's website, under the Banking Transparency section [i]. These include Product and Service information sheets, Specific Guides and Information documents on the conditions offered to all type of customers.

INVESTMENTS: ADVISORY SERVICE

In terms of investments, Intesa Sanpaolo offers its customers the highest possible form of protection with its advisory service. As regards transactions relating to financial products or investment services, personalised recommendations are made consistent with the customer's financial profile. With this in mind, a series of specific rules that Bank personnel must observe is fully operational. After the entry into force of the MiFID II Directive and European Regulations in the area of investor protection¹, these Rules were strengthened in order to provide investors with higher levels of protection and increased transparency in trading on the financial instruments' markets. In particular, Intesa Sanpaolo introduced new obligations in terms of the governance of financial instruments, knowledge and expertise requirements for personnel responsible for providing investment services and ex ante and ex post information on the costs, charges and incentives of the products and services available.

Among the projects concerning advisory services, "Valore Insieme" is a global consultancy solution provided by branch managers through an innovative relations platform that provides advanced and personalised consultancy in all phases of the construction, protection and transfer of investment portfolios, also through dedicated investment products. It is a service aimed at those looking for an exclusive relationship that combines an innovative platform and ongoing professional support from a dedicated manager.

THE COMPLIANCE CLEARING OF NEW PRODUCTS AND SERVICES

The new products and services and their subsequent variations are subject to the Product Governance process with the involvement of the Bank's various structures in order to assess all the characteristics of the product and clearly identify the customer segment it is intended for with the aim of protecting the customer. This process is constantly subject to verification by the Compliance Function to ensure substantial and formal compliance with internal and external regulations and the underlying assessments. The Product Governance process allows the transparent management of the individual phases that involve the concept, development, clearing, approval and monitoring of the products or services analysed. Every activity entails the participation of a number of structures so as to assess the characteristics of individual products and services, whether provided by the Bank or by third party producers, as required by the regulations². Products and services undergo periodic, after-sales monitoring so as to assess their coherence over time with the predefined parameters of target markets and with the characteristics of reference customers.

Compliance assessments, nevertheless as part of the Product Governance assessments, are carried out in accordance with the principles of fairness and protection of the interests of customers, and also relate to the quality of the information provided, the consistency of the services, products or transactions with the needs and characteristics of the target customers.

The entire process is regulated by internal Guidelines and by specific process guides which the Bank has adopted, which identify in detail the activities and structures involved. To manage the entire process, the Bank has provided itself with an IT tool in order to: standardise the information of the products or services, store the documentation in a single repository and trace the decision-making process, thus ensuring a strengthening of the control measures.

¹ Directive 2014/65/EU (MiFID II), Regulation (EU) No 600/2014 (MiFIR) and Regulation (EU) No 1286/2014 (PRIIPs).

² Bank of Italy - supplement in 2019 to the Supervisory Instructions on "Transparency of the banking and financial transactions and services" with specific provisions on product governance; IVASS - Letter "Directive (EU) 2016/97 on insurance distribution and EIOPA preparatory guidelines on product governance and control by insurance companies and distributors of insurance products" dated 4 September 2017 and Regulation 45 laying down provisions on the governance and control requirements for insurance products in force since 31 March 2021; Consob - Intermediaries Regulation, amended by Resolution 21466 in force since 31 March 2021.

DIALOGUE WITH CONSUMER ASSOCIATIONS

Intesa Sanpaolo has for some time been involved in a long-established, open and constructive dialogue, at a national level, with the Consumer Associations belonging to the National Council of Consumers and Users (Ministry of Economic Development). In this context, on 21 July it renewed the Framework Agreement “Innoviamo le Relazioni 2.0” (Let’s Innovate Relationships 2.0) which provides for the formation of 3 permanent discussion groups on the issues of greatest interest: Products and Services, Banking and insurance education and Local Relations; Regulations and Authority, Customer Care and Conciliation; Educational and Sustainability-Impact. During 2021, 4 theme-based discussion groups were held concerning: Products and services (superbonus); Customer Care (fraud); the Renewal of the Framework Agreement 2021/2023; Conciliation.

In addition, with a view to further developing cooperation with the Consumer Associations, a series of meetings were arranged with the regional delegations from Valle d’Aosta, Liguria, Veneto, Marche, Umbria, Abruzzo, Puglia, Calabria and Sicily. In 2021, the training initiatives as part of the Project “Mettere in comune competenze” (Sharing Expertise) saw the creation of 6 webinars with the national delegates of the Associations, while a further 7 webinars were held on a local basis, involving the regional representatives of the Associations in Southern Italy. Intesa Sanpaolo is also a member of the Executive Committee of Consumers’ Forum, an independent association encompassing the most important consumer associations, numerous industrial and service companies and their trade associations, and the Institutions.

Work also continued throughout the year on permanent conciliation and its role as an out-of-court solution instrument adopted and managed together with the Consumer Associations. In 2021, 189 applications for permanent conciliation were received.

CUSTOMER HEALTH AND SAFETY

In all its offices and branches the Intesa Sanpaolo Group protects the health and safety of all the people who work and pass through them by implementing operational rules and technological safety measures, supported by IT tools and the promotion of a health and safety culture. During the health emergency, the Group guaranteed customer services thanks to branches being open (almost 100%) performing all transactions; a system of restricted admissions was introduced, with specific appointments, together with the definition of essential transactions to be performed face-to-face and the extension of multi-channel services.

PHYSICAL SAFETY

As part of the protection of the health and safety of people, the management of the physical safety risk is of fundamental importance for the protection of the physical integrity of people, whether they are staff, customers or suppliers of the Group.

To this end, the Corporate and Physical Security Function operates directly for the Companies in Italy according to a centralised management model or providing guidance and support to the Companies operating on the basis of a decentralised management model. The monitoring is based on the analysis of the risk context in which the Group operates, conducted according to established methods and practices at international level, and on the study of the development of risks and threats looking to the future. Following these assessments, the Corporate and Physical Security Function updates or defines new defence strategies and the related countermeasures of a formative, organisational, technological or human methodological nature. In addition, it defines the functional requirements of physical security systems and verifies their effectiveness in mitigating risks; it manages the alarm signals that arrive in the Control Room, verifies them and, where necessary, takes action.

The role of guidance and functional coordination for the International Subsidiary Banks is initiated with operational linkage mechanisms with the Decentralised Safety Functions of the Banks in the International Subsidiary Banks Division, in line with the provisions of the “Physical Safety Guidelines for the Intesa Sanpaolo Group”.

With regard to the security of the Group personnel in Italy when travelling to foreign countries, during 2021 the initiatives in the field of Travel Security were consolidated. In fact, a system is in place to support this kind of travel and for the analysis of country risk levels, through the adoption of appropriate procedures. In addition, there is constant monitoring of those travelling abroad and/or expatriates of the Group, in order to mitigate any accidents and/or emergencies, also with the support of qualified Partners.

With regard to the risks associated with predatory crimes, the risks of robbery and theft continue to be analysed and measured including on-site checks on the level of protection of the most exposed sites. In 2021 in Italy there was 1 completed incident and 3 attempted robberies, compared to 7 completed incidents, also taking into account former UBI incidents, and 4 attempts in 2020. The year 2021 also confirmed a 64% reduction in events compared to 2020. As regards the theft risk which generally, unlike robberies, does not impact on the

health and safety of people, 15 attacks on ATM machines were recorded during the year (5 completed and 10 attempted). It should also be noted that there is a growing phenomenon of attacks on ATM equipment that involves physical and IT techniques, which continue to be investigated and combated.

Another control area of the risk of attacks to the physical safety of staff covers acts of aggression, not for predatory purposes, that take the form of harm to the people of the Group. The trend of the phenomenon has been growing over recent years. Some time ago, the Intesa Sanpaolo Group launched the actions for its measurement, analysis and containment. This trend is also under observation by ABI, due to its growth in the financial services sector in activities involving customer contact. In 2021, 240 cases of aggression were recorded (21 of a physical nature and the rest verbal), compared to 262 in 2020 (19 of a physical nature). The mitigation actions, enhanced in 2021, involved the training of personnel exposed to risk and responsible for managing events, and for measuring and managing the events themselves (investigation, psychological support, legal action) with the contribution of the Banca dei Territori Division and the Safety and Protection and Legal Affairs Head Office Departments.

In 2021, the activities conducted by the Corporate and Physical Security Function did not stop even when there were limitations imposed by the pandemic, continuing both physically, through inspections with specific assessments and analyses on the Bank's premises, and remotely, through the use of the Group's "data lakes" and with interviews with the Heads of the Structures. In both cases, the methods used were based on the ISO 31000:2018 standard, with the aim of prevention, to reduce the likelihood of robberies and thefts, and protection, to reduce their impact.



Innovation, digital transformation and
cybersecurity

Innovation, digital transformation and cybersecurity

RELEVANT ISSUES:

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WHY THESE ISSUES ARE RELEVANT

Intesa Sanpaolo intends to maintain sustainable business growth through the active involvement of its people and its cutting-edge digital infrastructure. Thanks to these two enabling factors, as outlined in the 2018-2021 Business Plan, Intesa Sanpaolo is able to provide its customers with innovative, high-quality products, expanding its range of services and available channels, as well as their accessibility.

The role of Intesa Sanpaolo in supporting companies in the development of their innovation processes is fundamental, a key strategic lever for them to remain competitive in a constantly evolving market.

Another equally qualifying aspect is the ability to satisfy customer requirements through an operating machine capable of offering simple solutions that meet their needs, attributing strategic importance to IT security.

The protection of information, customers and, in general, the active role in Italy's cyber resilience represent important elements for the Bank, and the continuous strengthening of the control measures activated by the Group allows it to maintain a responsible and transparent approach in relations.

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Projects/Indicators	2021 Actions/Results (cumulative value since the start of 2018 or 2020 value)	2021 objectives
Innovation, digital transformation and cybersecurity	Start-up Project	~780 start-ups analysed (~3,420 since 2018) in 7 acceleration programmes with 209 start-ups assisted in 2021 (~600 since 2018) introducing them to selected investors and ecosystem players (~6,150 to date)	
	Expansion of the multichannel platform and digital transformation	<ul style="list-style-type: none"> ▪ ~12.9 million multi-channel customers (~+1.3 million compared to 2020, including UBI Banca and considering the sale of branches performed in 1H21) equal to about 96% of customers ▪ ~8.1 million customers using the Intesa Sanpaolo App in 2021 ▪ 3.6 million of digital sales (+76% compared to 2020, including UBI Banca and considering the sale of branches performed in 1H21) ▪ 76% of activities digitised (60% in 2020) ▪ 47 companies of the Group introduced into the cybersecurity Model (100%) 	70% of activities digitised 100% of the companies of the Group introduced into the cybersecurity Model
	Blocking of fraudulent transactions	<ul style="list-style-type: none"> ▪ Fraudulent transactions blocked for ~€91 million euro for retail customers and ~93 million euro for business customers 	Strengthening of cybersecurity
	Training to Group personnel on cybersecurity	<ul style="list-style-type: none"> ▪ 79,241 participants; 213,796 hours provided 	

COMPANY POLICIES

In a highly digitised and competitive context, characterised by the need to activate continuous processes of transformation and innovation, the commitment of Intesa Sanpaolo is supported by a state-of-the-art infrastructure which ranks the Group's practices as among the best in Europe. In this context, Intesa Sanpaolo proposes to its customers a specialist advisory service capable of guiding them in their innovative processes to address future challenges. Through optimisation of an advanced multi-channel platform geared to offering all customer segments an innovative, safe and efficient range of products and services, the aim is to achieve complete digitisation of the Group's priority processes. The widening of User Experience, due also to agreements and partnerships, and also the new functions that favour the use of mobile devices, represent the crucial elements in the Bank's digitisation process. Strong investment in technologies and strategic vision in this area have ensured solidity as a going concern during the health emergency, allowing sound management of internal business and the rapid interaction with customers through a wide range of remote services.

The Bank's operations highlight the use of cybersecurity practices, already in line with the best international standards and certified by the national authorities, thanks to attentive data management and a focusing on risk management topics and the ongoing protection of the company's assets. The Board of Directors of Intesa Sanpaolo approves the IT Security Plan each year; in addition, in line with current regulations, cybersecurity is governed by guidelines and integrated processes for the safeguarding of the interests and rights of customers through the Bank's Integrated Internal Control System which defines responsibilities at all levels of the company.

The cybersecurity profile is also based on disseminating an awareness of risks and prevention methods by all the parties involved (Bank structures, employees, customers and suppliers).

SUPPORT FOR INNOVATION

Intesa Sanpaolo has launched a thorough review of its processes with a view to innovation also in consideration of the strong thrust towards a digital world. This transformation has also had important effects on the customer support front: the Group has in fact developed targeted financial solutions and specialist assistance services for companies that invest in research, development and innovation projects by offering them a range of products capable of financing their ideas and initiatives so as to maintain their competitive edge.

In particular, Intesa Sanpaolo Innovation Center is the Intesa Sanpaolo Group company that focuses on the development of applied research projects, supports high-potential start-ups and accelerates the transformation of companies based on open innovation and circular economy criteria to make Intesa Sanpaolo the driving force behind a more environmentally and socially conscious economy.

SOLUTIONS FOR INNOVATIVE COMPANIES

NOVA+ is the medium-to-long-term loan dedicated to supporting companies investing in Research and Innovation (R&I) and which provides for the industrial-technical assessment of the research project carried out by a structure of Bank engineers specialised in the technological sector. In 2021 a new version of NOVA+ was released, dedicated to companies investing in R&I and in the enhancement of intellectual property. The restyling of NOVA+ came about from the need for alignment with the missions of the NRRP and the strategic lines dictated by the R&I European Program (Horizon Europe 2021-2027) in terms of sustainability and digitisation and, at the same time, to seize the opportunities offered by the Transition 4.0 Plan, geared to stimulating investments in green and digital innovation and in design and creative aesthetics.

Lastly, Intesa Sanpaolo approved 60 projects in 2021 for about 448 million euro of acceptable investments in favour of 93 beneficiaries, as a Bank granting specific public subsidies for research and innovation (in particular, the Sustainable Growth Fund, managed by the Italian Ministry of Economic Development - MISE). In total, 414 projects were approved under the Sustainable Growth Fund from 2014 to 2021, also considering the business coming from UBI, for a total of about 2.1 billion euro of acceptable investments in favour of 707 beneficiaries.

DEVELOPMENT AND GROWTH OF START-UPS

Intesa Sanpaolo Innovation Center aims to be a player in the innovation ecosystem to support start-ups by managing their acceleration pathways personally or with specialised, Italian and international partners.

In 2021, 7 acceleration pathways were held with about 780 start-ups applying to take part, of which approximately

210 completed the acceleration programme.

In 2021, 2 editions of the Startup Initiative were performed, a programme provided directly by Intesa Sanpaolo Innovation Center dedicated to the most promising innovative companies: BioItaly, promoted by Intesa Sanpaolo Innovation Center; Immediate, commissioned by a Group customer. In total, about 170 start-ups applied to take part and 40 of these completed the acceleration programme.

As part of the development of the Turin ecosystem - the result of the three-year agreement signed in 2019 with Techstars by Intesa Sanpaolo Innovation Center, Compagnia di San Paolo and Fondazione Cassa di Risparmio di Torino - the second class of the acceleration programme on Smart Mobility was held with the Intesa Sanpaolo Innovation Center contributing to supporting the business development of the 12 participating start-ups (selected from 397 candidates - including 66 Italian ones - from 54 countries) by promoting collaboration with Corporate customer companies and, locally, with the Municipality of Turin and local companies. The applications for the third class of the programme, which will see the focus expanded from "Smart Mobility" to "Smart City" (Torino Cities of the Future Accelerator Program) and will start in 2022, numbered 341 coming from 59 countries (67 Italian). Since the start of the partnership with Techstars 23 start-ups have concluded the acceleration programme, 18 experimental trials have been launched, 15 start-ups have raised a total of about 21 million euro from international investors and 2 foreign start-ups have opened a branch in Italy.

To support the international positioning of the Turin ecosystem, in 2021 a collaboration was started with a company operating in the advisory and promotion services of start-up ecosystems and the agreement envisaged the inclusion of Turin for two years (2021-2022) in the publication "The Global Startup Ecosystem Report", where over 140 international ecosystems are mapped.

As part of the activities to support the development of new innovation ecosystems, Intesa Sanpaolo Innovation Center, in the course of 2021, launched two further three-year initiatives: the first in Florence, launched on 4 October in partnership with Fondazione CR Firenze, Fondazione per la Ricerca e l'Innovazione and the Nana Bianca accelerator, with a focus on digital solutions applied to tourism, fashion and food&wine (Italian Lifestyle Accelerator Program); the second is being looked into in Naples on the theme of BioEconomy (TerraNext).

Other important programmes that have benefited from the support of the Innovation Center, include "B-Heroes", now in its fourth edition with the involvement of more than 500 innovative Italian companies and the conclusion of the acceleration programme for 16 start-ups, "Accelerate in Israel", a Public Notice of the Embassy of Italy in Tel Aviv for the support of innovative solutions in the field of mobility in Israel (with 33 applications) and "Digithon", the largest Italian digital marathon dedicated to start-ups (with about 390 applications).

In addition, Intesa Sanpaolo Innovation Center contributed to the selection and identification of innovative start-ups and SMEs for the Mediterranean Aerospace Matching event promoted by ICE - Italian Trade Agency and Distretto Tecnologico Aerospaziale (DTA) that was held in Grottaglie in October 2021.

To support the growth of start-ups, Business Development services were offered in analysing the characteristics of the potential target markets and competition, as well as identifying the most suitable business opportunities and technological solutions.

The MLT loan instrument called "Convertibile Impresa" is running at full steam and is dedicated to innovative start-ups and developed by Intesa Sanpaolo and Intesa Sanpaolo Innovation Center.

OPEN INNOVATION

Working with research institutes and universities, Intesa Sanpaolo Innovation Center has created laboratories for applied research projects to generate know-how through collaboration between the academic world, the Group and the business customers. In particular, there are two operative laboratories: one on themes of Artificial Intelligence and one on Neuroscience.

Artificial Intelligence Lab has the Fondazione ISI from Turin as its leading partner to develop and test mathematical models and algorithms as part of applied cutting-edge research on issues of interest to the Group and/or its customers. At the end of 2021, there were 7 research projects in progress in the fields of finance, insurance risk management, AML and robotics in communication and social media. As a result of a total of 22 research projects developed by the Laboratory (also with other partners, for example the Turin Polytechnic, University of Turin and Milan Polytechnic), 5 Italian patent applications were filed, one of which was granted in November 2021.

During the year, the initiatives in the field of Robotics showed a marked acceleration thanks to the study of applications in the social field, such as those proving useful as an educational support of children on the autism spectrum (in partnership with the University of Turin and the Fondazione Paideia), and to the study of robotic service applications, for example for sanitising environments (in collaboration with the Turin Polytechnic). During 2021, 4 scientific publications were submitted and accepted and, as part of the dissemination of the knowledge, 18 seminars were held, 15 of which were also open to the general public.

The Neuroscience Lab was launched in partnership with the IMT School for Advanced Studies in Lucca and aims to design, develop and test neuroscience research frameworks applied to business issues. At the end of

2021, 8 research projects were ongoing with orders from within the Intesa Sanpaolo Group on topics of Health and Safety, Neuromarketing, Continuous Learning and Finance. During the year, 5 scientific publications were made, including one on Healthy Ageing presented at a conference of the Ferrero Foundation and published in “Medicina del lavoro di Torino” (Occupational Medicine of Turin). As part of the dissemination of knowledge, 21 seminars were held (15 of which also open to the general public). The Neuroscience Lab also contributed to the “4weeks4inclusion” initiative on the topic of neurodiversity and to the creation of an App, as part of the research project with the Museo del Risparmio (Museum of Saving).

In addition, in support of the dissemination of innovative know-how, Intesa Sanpaolo Innovation Center analyses cross-industry innovation trends and prepares innovation reports and videos for the benefit of SMEs and the Group. In 2021 a total of 8 Industry Trend Reports (ITR) were produced which analyse the major technological innovations in the main industries and the publication “ITR 2021: Persone e Tecnologia” was produced, which takes an in-depth look at issues such as the enhancement and development of human capital, organisational changes and new leadership styles.

During 2021, the Insurance Division took part in its capacity of industrial partner, through its subsidiary Intesa Sanpaolo RBM Salute, in the Health&BioTech Accelerator, one of the most important innovation acceleration programmes in the health sector, which uses an Open Innovation approach in collaboration with international start-ups and key players in the healthcare industry (such as research institutes, clinics and healthcare centres, retirement homes). Thanks to the project, prototypes and innovative solutions (for example robotics and new digital platforms) were identified to be integrated into the insurance core business, for which specific projects have been launched that will also continue in 2022. In addition, as part of the digital transformation programmes, the Insurance Group continues to invest in new and innovative solutions with a view not only to functionality, but also to increasing transparency with respect to the Customer.

THE DIGITALISATION PROCESSES PAVING THE WAY TOWARDS AN INTEGRATED MULTICHANNEL BANK

Intesa Sanpaolo has continued on the path of Group transformation to establish itself as a digital company, with the ongoing in-depth revision of its IT platform, which has enabled remote interaction between customers and the Bank to become increasingly efficient. In addition, it has continued the gradual expansion of the multi-channel services targeting customers, with a focus on the use of mobile devices, confirming the results envisaged by the Business Plan in 2021.

Following the measures implemented in response to the COVID-19 emergency, the digital transformation processes continued, to enable all customers and the Group’s people to operate remotely in a fully effective, efficient and safe manner, through the dissemination and development of new technologies and tools to facilitate remote collaboration, interaction and sharing of information, while moving forward with the commitment to reduce environmental impacts with a view to increased sustainability. In addition, the anti-fraud protection systems for data, infrastructure and the identities used to access IT systems were strengthened and internal security safeguards were reinforced.

As part of the agreement signed with TIM and Google, activities began to develop the Google Cloud Platform in Italy (which will meet the higher international standards of security and confidentiality of information and was designed based on the regulatory requirements and in agreement with the stricter requirements of Intesa Sanpaolo). The activities to migrate applications were started and the creation of the new Region Clouds in Italy was launched, based on green solutions which will lower CO₂ emissions. In addition, the Opening Future portal was released, a communication hub developed by the Group in collaboration with Google Cloud and Noovle (cloud company of the TIM Group), activating the first training and digital development initiatives dedicated to students, SMEs and start-ups.

Thanks to the progress Intesa Sanpaolo has made in the area of multichannel and digital banking activities, it has already achieved notable results in terms of customer engagement and the volume of services offered. In Italy¹, the main results recorded include:

- about 12.9 million multi-channel customers (+1.3 million compared to 2020, including UBI Banca and considering the sale of branches performed in 1H21) equal to about 96% of customers;
- about 8.1 million customers using the Intesa Sanpaolo App in 2021;
- 76% of activities digitised (60% in 2020);
- 47 Group Companies introduced into the Cybersecurity Model (100%);
- about 86% of the Retail customer product range available via multichannel platforms (including the current account, payment cards and personal loans);
- over 761,000 active customers already reached by the Intesa Sanpaolo Investo App, through which the customers of the Banca dei Territori completed almost 54% of their online trading transactions in 2021.

¹ Excluding Fideuram - Intesa Sanpaolo Private Banking and Banca 5.

The main innovations in the digital area in 2021 concerned:

- The continuous developments, identified as priorities, in terms of innovation in the methods of interaction with customers, by digitising and supplementing the contact channels so as to improve the offer and the user experience. This commitment has led to the recognition by Forrester Research for the Intesa Sanpaolo Mobile App as Digital Leader in Europe, in particular for its features and user experience.
- The extension of the new “fully digital” process for Commercial Cards to the entire network and the release of the new process of granting credit to all branches of the Banca dei Territori Division and the Corporate Areas of the IMI Corporate & Investment Banking Division, with the aim of redesigning interaction with Business customers to provide products and services based on a digital and omnichannel experience; the release of the new Retail Rating Model, which speeds up and automates the calculation process facilitating the relationship with the customer; the activation on all channels of the new “fully digital” Customer Journey for MiFID profiling and for the opening of the administered deposit for natural persons; in the insurance field, the Lifecycle of XME Protezione was also activated and the RBM Salute module was integrated into the Insurance App.
- The expansion of the scope of new digital payment services in a multi-channel perspective such as: the activation of BANCOMAT Pay on all the Intesa Sanpaolo-Nexi POSs, the Instant Issuing service and the Smart Control platform that generates virtual cards to make remote commercial purchases.

The relationship with Business and Corporate customers also continues to develop digitally thanks to a multi-year transformation programme and the Inbiz Portal for companies. Following the COVID-19 health emergency and also thanks to the identity model and digital signature MyKey Inbiz, the business world digitisation programme continued in 2021. The Group’s ambition was to make it easier for customers to manage independently and remotely their relationship with the Bank and, as regards the Business and Corporate customers, the main innovations in the digital field concerned:

- the extension of the new Investment section of the NDCE (New Digital Customer Experience) Business to all customers who have My Key Business;
- the release of Inbiz Start that allows remote signing of contracts and the possibility of remote recognition of users;
- the release of the Dynamic Discounting service that allows customers to use liquidity to prepay invoices through a discount agreed between buyer and supplier.

THE SPREAD OF DIGITAL CULTURE

The Ottomila! change management system also continued in 2021, supporting over 48,000 people from the Banca dei Territori Division in achieving the objectives of the 2018-2021 Business Plan. The commitment to embark on a path towards a “new normal”, even within the general pandemic scenario, has resulted in the resumption of some activities that were temporarily suspended in 2020. These include the Altimetro, the tool that through the compilation of an anonymous and voluntary questionnaire, aims to encourage discussion within the workplace, stimulating engagement and reflections on those aspects that already work in order to achieve improvements together. At the same time, attention to issues related to digital transformation has assumed an increasingly central role, through the implementation and consolidation of spaces on the Ottomila! portal dedicated to managing the relationship with customers also on a remote basis, the conscious and safe use of new tools, to offer informative content and stimulate the sharing of experiences among people. This commitment to the dissemination of the digital culture was further confirmed in the Vividigitale project, the remote sharing format that in particular targets the digital culture communicators who are chosen from time to time in each branch and act as true points of reference for the people in the Group and customers, involved in 90 information sessions. At the same time, in order to make it easier to disseminate information related to services and products, and to accompany staff in the adoption and use of new platforms, the remote Vivichat meetings continued to provide moments of in-depth analysis: a schedule of almost 190 information sessions that have reached a total of about 60,000 participants.

THE PHYSICAL NETWORK CHANNEL AND INTEGRATION WITH ONLINE STRUCTURES

The branches continue to represent the physical space for personal relations with customers in the distribution network, particularly with regard to more complex/advanced transactions. The adoption of the more up-to-date Branch Layout allows a significant change to the physical place where the Bank comes into contact with its customers, with modular spaces that have been made as welcoming as possible and functional areas for specific activities (customer reception areas, living areas and self-service banking areas etc.). The new branch

layout, which also adapts to host artistic and cultural events, at the end of 2021 is present in 313 branches, of which 18 are Business branches, with an increase of over 40 units compared to 2020.

Behavioural changes and people's preferences, also following the pandemic, the digitisation and offer of integrated models and the rationalisation of the distribution network have represented a strong accelerator during 2021 of the remote assistance and advisory activities performed by the Online Branch.

In the emergency phase, the Online Branch accompanied customers, both individuals and retail businesses, in digital transition and subsequently launched a training programme (also through specific webinars) dedicated to customers with more modest digital culture, with the aim of protecting them from the risks of fraud and ensuring conscious and safe access to the Bank's multi-channel services.

The year 2021 was a year of strong acceleration in the processes of entry and reception of new Group people active in the Online Branch, significantly strengthening its overall capacity with the aim of providing customers with an increasingly timely and qualified service, differentiated by needs and consistent with the new context. To complete the organisational actions, a programme of technological development at the Online Branch was launched which, through new tools and processes, aimed to improve the ability to dialogue with customers and offer them a better experience in contacts. This programme saw the introduction of the Ellis chatbot, an application to allow continuous support to customers who choose chat as a contact mode; the video banking service was also activated.

In 2021, Banca 5 confirmed itself as a leading-edge product factory that offers open banking solutions through the digital and physical channels of its partners. In particular, the partnership with Mooney has made it possible to offer collection and payment services (withdrawals, bank transfers, MAV, bills, prepaid card top-ups, etc.) and other commercial services (SPID recognition, telephone top-ups) on a widespread network of over 45,000 points in Italy (the first proximity banking network in Italy), improving and ensuring their accessibility for all citizens. Similarly, in relation to the partnership with Mooney, attention has also been paid to local micro-enterprises, offering account management solutions through innovative Payment Initiation Service solutions, thus making their activity increasingly easier.

In 2021, the International Subsidiary Banks Division continued its projects:

- Adopting Group Distribution Model (AGDM), for the implementation of the new commercial service model in eight Banks in the area. In 2021, personalised advice was strengthened, reaching over 1,250 dedicated managers. The use of digital channels (advanced ATMs) has achieved 87% of withdrawals, and 47% of customers' total deposits are made in self-service mode.
- DigiCal, with the aim of continuing to digitise the existing processes for Retail and small business customers. In particular, the DigiCal ABC project has allowed the adoption of a single branch application, common to all subsidiaries, optimizing the activities of the manager and making sales processes completely paperless. The use of Danube tablets for collecting digital signatures in PBZ, VÚB Banka, BiH, CIB Bank, Intesa Sanpaolo Bank in Slovenia and Intesa Sanpaolo Bank Albania has contributed to the dematerialisation of contracts by simplifying and improving the Customer Experience.

In the context of the health emergency, the implementation of the Remote Offer service, active in PBZ and Intesa Sanpaolo Bank in Slovenia, was extended in 2021 to Intesa Sanpaolo Bank Albania and CIB Bank, allowing customers to be assisted remotely via chat by sending and finalising commercial offers on online channels. In addition, the Public Portal has allowed for the branches of PBZ, Intesa Sanpaolo Bank Albania and Alexbank to sign the online multi-channel contract.

ACCESSIBILITY FOR PEOPLE WITH DISABILITIES

Transactions for customers with visual disabilities are carried out, in Italy, with ATMs equipped with a highly readable graphic interface for visually-impaired people, while for blind customers over 6,400 machines are equipped with headphones for listening to voice guidance. The monitoring of the accessibility and usability of buildings and services led to the conclusion of the census of 2,889 operating points (consisting mainly of Retail, Exclusive, Business, Private and Corporate branches, satellite agencies of the various branch types, and detached and company branches) out of a total of 4,493, i.e. about 64% of the total, inspecting the user-friendliness of automated equipment and the accessibility of various areas with the use of tactile routes for the visually impaired. You can find specific information on the accessibility of branches on the Intesa Sanpaolo website [1].

In particular, there is information on the accessibility of branches and self-service areas for individuals with reduced mobility; visitors can also find out, for example, if there are accessible cashier desks, adequate space for manoeuvring in corridors, lifts or lifting platforms, or stair lifts to connect the various floors.

As part of the DigiCal model, there is continued updating, in the International Subsidiary Banks, of mobile and web applications according to WCAG 2.0 (Web Content Accessibility Guidelines) accessibility standards, which allow persons with disabilities to use the platforms, offering a service in English and in the local language.

During 2021, the surveying of the premises of the International Subsidiary Banks continued its progress, taking into consideration the branch networks and head offices. The mapping activities concerned 100% of business-operating properties (branches, head offices, etc.) and considered several common parameters (accessibility from the outside, to the cashiers and to relationship managers, etc.). The highest levels of accessibility from the outside are currently found in Croatia (97%) and Slovenia (91%).

There is continued collaboration with the Fondazione LIA (Libri Italiani Accessibili - Accessible Italian Books Foundation), which has been working for years with Associazione Italiana Editori (the Italian Publishers Association) and Unione Italiana Ciechi e Ipovedenti (Italian Association for the Blind and Visually Impaired) in order to improve the accessibility of the Group's documents published on the Internet and on the Intranet.

DIGITAL OFFER FOR CREDIT

The activity of granting credit to retail customers, in terms of products and processes, is carried out in a multi-channel perspective. In fact, the offer received from the traditional branch can be completed and concluded by customers directly via their mobile devices, independently or with the assistance of the branch. Intesa Sanpaolo also expanded its range of products for sale or that can be self-managed via the App or internet in 2021. As regards consumer credit, it is worth mentioning:

- XME Prestito Facile which, in addition to having self-service signing, allows the customer also to independently change the instalment and postpone payment;
- XME Prestito Diretto which allows the purchase at zero rate of a wide catalogue of products and services offered by commercial partners. Since November 2021, customers have also been able to request the XME Prestito Diretto while browsing in online stores of some selected partners;
- XME Spensierata is the line of credit that allows customers to pay for the expenses already incurred in instalments settled on their current account, or to obtain the necessary liquidity to meet their purchases, thus optimising the management of the family budget.

As regards lending to SMEs, the first totally digital short-term loan product, Circolante Impresa Smart, is available. On the one hand, the signing process allows customers to independently sign the loan. On the other hand, the evaluation process is based on the new online calculation model for the rating of SMEs, which can automatically verify their loan repayment capacity. In October 2021, the Circolante Impresa Smart loan received the Honourable Mention in the Innovative Product of the Year category at the Global SME Finance Awards 2021.

CYBERSECURITY

The Group considers the protection of customers' information a matter of strategic importance and in general contributes actively to the cybernetic resilience of Italy's Economy. Cybersecurity is governed by guidelines and integrated processes for the protection of the interests and rights of customers and the Group's people, with rules set out in the Bank's Integrated Internal Control System.

The Group's cybersecurity model has a risk-based approach and is organised in three main macro-areas (Guidance, Control, Active Monitoring). In accordance with this model, appropriate roles and responsibilities have been defined, including: the Corporate Bodies and Committees that assume general responsibility for the guidance and control of cybersecurity, supported by the Governance Functions that ensure its effective management; a Group Information Security Officer who ensures the protection of information and infrastructure, ensures consistency among the internal rules and compliance with the regulatory framework; the Relevant Functions that provide services, design and release cybersecurity solutions in compliance with the relevant regulations.

Cybersecurity tasks are carried out according to common guidelines within the Group. The cybersecurity management model and system are reviewed and updated annually or in response to legislative, regulatory, organisational and technological changes, also with a view to continuous improvement. The cybersecurity structure annually conducts specific strategic intelligence activities aimed at identifying the most relevant risk scenarios for Intesa Sanpaolo.

Given the growing importance of cybersecurity issues, including in relation to the Business Plan, the Intesa Sanpaolo Board of Directors annually approves the IT Security Plan which guides, in a structured and coordinated way, the challenges introduced by cyber space through the measures established by the Group functions responsible for guaranteeing the relevant protective measures. The clear definition of responsibilities in disseminating a cybersecurity culture to protect every component of the company's assets is the main theme. In particular, the Plan provides for the implementation of a Group cybersecurity strategy based on perfect knowledge of the elements of the area to be protected, which grows together with the services offered and the new risks that heavily depend on behaviour and the human factor. This strategy is based on four main pillars - Excellence in fundamentals, Sensitivity and dynamism, People and Processes, Group Governance - which have allowed the operational projects to be defined together with the investments necessary for the implementation of the initiatives set out in the Master Plan, geared towards increasing the levels of cyber resilience and cyber readiness in the Group.

Some of the most important initiatives for the Bank are:

- continuing activities aimed at improving levels of protection for customers in a period of rapid growth in the use of digital services offered:
 - enhancing cybersecurity and the resilience of the systems and applications dedicated for that purpose in services offered to customers;
 - strengthening of anti-fraud monitoring, especially in view of the emergency situation that may be favourable for attacks against customers less accustomed to operating through digital channels, also through the use of artificial intelligence and machine learning and the reinforcement of the interaction of such technologies with the operational processes.
- increasing attention to the security of Third Parties that provides services to the Bank, through specific methods of assessment, classification and verification of suppliers for the aspects of cybersecurity and business continuity (contracting, service provision, contract closure);
- enhancement of the security measures adopted by staff such as, for example:
 - extension of services with multifactor authentication;
 - enhancement of internal processes and communications to be activated if a critical event occurs so as to reduce the relevant risks.

With regard to anti-fraud monitoring, the Bank keeps its system constantly updated and capable of real-time analysis of transactions carried out by customers via digital channels and of detecting, through a risk assessment system, any potentially anomalous transactions, also seeking verification of the device in use through the use of innovative solutions; furthermore, the Group acts in collaboration with the Authorities to combat new techniques used by the fraudsters, and makes use of every channel to raise awareness among customers to actively address attempts of phishing and to remind them that their credentials are personal and must be well guarded and never disclosed to third parties. It systematically updates the security section of its website and the Mobile App with new training content, examples of fraud attempts, insights, FAQs on cyber topics and sending communications to Intesa Sanpaolo customers for the prevention of the phishing phenomenon.

During 2021, the entire financial system confirmed a growing trend of attempted attacks that required Intesa Sanpaolo to block fraudulent transactions amounting to around 91 million euro for retail customers and about

93 million euro for business customers.

During 2021, Intesa Sanpaolo paid particular attention to increasing the skills of sector specialists through collaborative projects with universities (e.g. Bocconi University, Milan and Turin Polytechnics, IISole24Ore Business School) and to supporting the working group promoted by Carnegie Endowment for International Peace on the Cybersecurity Workforce.

The Bank also activated initiatives to increase the cybersecurity culture of the financial system by participating in national and international working groups (for example Europol, ECSO, EBF, Association for Financial Markets in Europe, ENISA) by developing awareness content for the community, guiding the relevant legislation and providing evidence to support the public/private sector about their experience in the world of cybersecurity (for example, collaboration on cyber issues for the Italian Financial Banking Arbitrator). In this context, Intesa Sanpaolo participated in the “Deploy Your Talent” project with the aim of relaunching STEM subjects (Science, Technology, Engineering, Mathematics) overcoming gender stereotypes; it provided support for the creation of educational workshops for primary and secondary school pupils (“Drizza le Antenne” - 1,250 pupils, 26 schools - dangers present on the Internet and how to avoid them); it spoke at the ABI Banche e Sicurezza event on the theme “The safety of innovation: safe banks at the service of citizens” and collaborated with CERTFin for the realisation of the mass dissemination campaign, called “I Navigati”.

As regards the people of the Group, Intesa Sanpaolo continuously carries out customised training at all levels of the hierarchy, including Top Management, through simulations, distance or classroom training and checks on the effectiveness of the awareness initiatives.

The monitoring of cybersecurity and business continuity integrated within the Crisis Management mechanisms confirmed the effectiveness not only in the management of events connected to natural disasters, but also in relation to the pandemic emergency, allowing the continuity of services and the protection of customers and people of the Group.

Lastly, Intesa Sanpaolo continued its commitment in making sure that third parties maintain their certifications for their cybersecurity and business continuity activities to guarantee the quality and adequate supervision of the services provided (see [i]).



Financial inclusion and supporting
production

Financial inclusion and supporting production

RELEVANT ISSUES

Financial inclusion of vulnerable people	page 117
Supporting the Third Sector	page 122
Education and spread of financial culture	page 122
Supporting production	page 123

WHY THESE ISSUES ARE RELEVANT

Intesa Sanpaolo attributes central importance to the economic and social growth of the communities in which it operates, a fundamental element that is deep-rooted in the Group's history and way of operating. The 2018-2021 Business Plan confirmed the role of Intesa Sanpaolo as a real-economy Bank enabling it to guarantee deserving businesses financial support also in times of difficulty, helping them to develop innovative restructuring, revitalisation and growth solutions.

The Group's activities benefiting society also include initiatives to support the Third Sector and the financial inclusion of groups that find it difficult to access credit despite their potential, in particular young people with their educational and training needs. The issues related to financial inclusion and supporting production have emerged even more important for the Group in the last two years because of the context linked to the COVID-19 pandemic, that hit hard the families and businesses to which Intesa Sanpaolo gave immediate support with a series of interventions aimed at alleviating the economic and social crisis.

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Projects/Indicators	2021 Actions/Results (cumulative value since the start of 2018 or 2020 value)	2021 objectives
Real-economy Bank	Medium/long-term credit granted to the real economy	~77.4 billion euro (~290 billion euro since the start of 2018)	~250 billion euro (cumulative value 2018-2021)
Financial inclusion and supporting production	Loans disbursed for initiatives with high social impact	About 20.6 billion euro disbursed, equal to 26.6% of total loans	Reinforcement of initiatives to foster financial inclusion and to support vulnerable groups
	Microcredit and anti-usury loans disbursed	About 111.9 million euro	
	Supporting people affected by natural disasters	<ul style="list-style-type: none"> ▪ Support to families and businesses affected by earthquakes and other natural disasters through the write-off of mortgages or moratoria on collapsed properties and subsidised loans ▪ To cope with the COVID-19 emergency, since the beginning of the pandemic there have been: 115 billion euro* of suspended payments of instalments on existing mortgages and loans for households and businesses; ~43 billion euro** of loans granted under the Liquidity Decree (approximately 14 billion euro in 2021) 	

* Moratoria granted up to 31/12/21 (flows), including renewals, considering UBI Banca and the sale of branches carried out in the first half of the year.

** As at 31/12/21, including UBI Banca and considering the sale of branches carried out in the first half of the year.

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Projects/Indicators	2021 Actions/Results (cumulative value since the start of 2018 or 2020 value)	2021 objectives
Financial inclusion and supporting production	Supporting people affected by natural disasters	<ul style="list-style-type: none"> 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 2020 in Bergamo, in partnership with the Municipality and in Florence, in partnership with CR Firenze Foundation 	
	Financial education	<ul style="list-style-type: none"> Museo del Risparmio (Museum of Saving): the training / dissemination of financial culture reached approximately 45,600 users in 2021, of which 40,000 primary and secondary school students and teachers with a total of 844 hours of training provided and 5,600 adults involved through events and dissemination initiatives dedicated and visits to the Museum in presence 	
	Fund for Impact	<ul style="list-style-type: none"> “Per Merito”, the first unsecured credit line dedicated to all university students residing in Italy, studying in Italy or abroad: 71 million euro granted (~162 million euro since the start of 2019) MAMMA@WORK, a highly subsidised loan, launched in July 2020 to balance motherhood and work during the children’s early years of life: ~1 million euro granted since its launch Support for working mothers in India and people over 50 who have lost their jobs or have difficulty accessing pension schemes “Per Esempio” – intended for volunteers taking part in Civil Service; “per Crescere”, for parents with school-age children, and “per avere Cura”, intended for families with members that are not self-sufficient. All three initiatives were launched in July 2021 XME StudioStation: launched in August 2020, a loan to households to assist with distance learning: ~0.5 million euro granted in 2021 and ~1.7 million euro granted since the launch 	Development of a fund of around 250 million euro to facilitate the disbursement of loans of around 1.25 billion euro (extended to 1.5 billion euro following the integration of UBI Banca) to sections of society that find it difficult to access credit
	Loans disbursed to support the Third Sector and social enterprises	About 400 million euro (~1.2 billion since the start of 2018)	New medium and long-term loans of 700 million euro to support social enterprises (cumulative value 2018-2021)

COMPANY POLICIES

Intesa Sanpaolo provides a range of products and services that promote financial inclusion and access to credit, in compliance with what the Group's Code of Ethics states among its principles on customer relations, convinced that social inclusion enables people to improve their lives and to fully exercise their citizenship rights. The Code of Ethics also outlines Intesa Sanpaolo's commitment to promoting economic and social development in the countries where it operates. In particular, this responsibility results in assisting companies to develop and improve their competitiveness, and to introduce innovations and internationalise their business. Among other initiatives, the 2018-2021 Business Plan launched the Fund for Impact, which is intended to disburse social impact loans of 1.25 billion euro (subsequently increased to 1.5 billion following the integration of the UBI Banca Group) to sections of society that find it difficult to access credit, despite their potential.

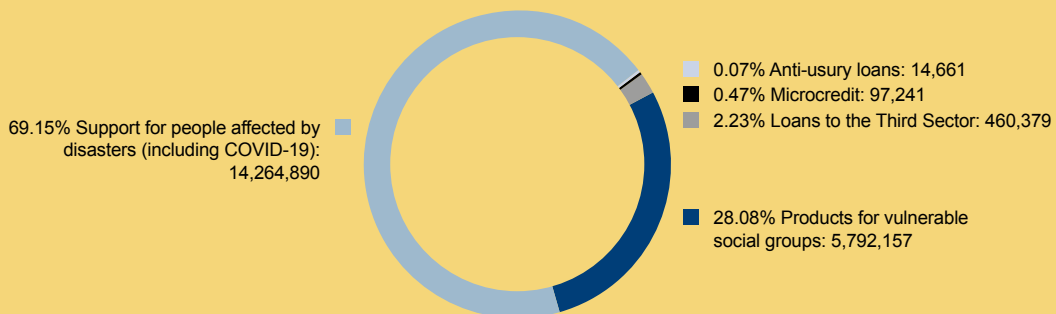
Intesa Sanpaolo confirmed its position as an accelerator for the growth of the real economy in Italy: in support of the National Recovery and Resilience Plan (NRRP), the Group has made available over 400 billion euro of medium/long-term loans for businesses and households.

FINANCIAL INCLUSION OF VULNERABLE PEOPLE

Support of people in vulnerable conditions is offered through projects and initiatives aimed at the fair allocation of resources by identifying actors within the territory with whom agreements and synergies can be developed that will make access to credit easier for vulnerable individuals or those who would otherwise have no access to banking.

In 2021, the Intesa Sanpaolo Group issued new loans for high social impact activities amounting to about 20.6 billion euro, equal to 26.6% of the total loans granted, 14 billion of which to support the production system during the health emergency, helping to create business and employment opportunities and also to assist people in difficulty with various initiatives: microfinance; anti-usury loans; products and services for associations and entities in the Third Sector; products for the most vulnerable social groups to support their financial inclusion; loans to support people affected by disasters.

LOANS WITH SOCIAL IMPACT [% AND THOUSANDS OF EURO]



MICROFINANCE AND THE FIGHT AGAINST USURY

There are various partnerships with different entities to provide credit to individuals or small companies in difficulty. Altogether, in 2021 the Group disbursed about 112 million euro in microfinance or anti-usury projects, in Italy and abroad.

Agreements with Foundations and Associations (e.g. Adiconsum, Exodus 94, Fondazione San Nicola Medici, etc.) foster credit inclusion for disadvantaged individuals and companies. The guarantees financed with the Usury Prevention Fund allow loans to be raised from the banking system, thus preventing the financial exclusion of weak individuals who might otherwise turn to illegal credit channels.

In addition, the Bank makes available the "Finanziamento Microcredito Imprenditoriale" ("Business microcredit financing"), dedicated to micro-enterprises in the start-up phase of a new business or when investing in growth

projects, providing access to credit even without collateral. This opportunity was made possible by a section of the SME Guarantee Fund (Ministry of Economic Development Fund). The loan is suitable for the purchase of capital goods or services for the business, paying salaries to new employees and paying for training courses. The product features include assistance services offered free of charge by the VOBIS association (Volontari Bancari per le Iniziative nel Sociale - Banking Volunteers for Social Initiatives). In 2021, 342 loans were disbursed for a total of 9.5 million euro.

MICROCREDIT IN EGYPT

Microcredit is an activity at the heart of Bank of Alexandria's strategy, as a driver for reducing poverty and encouraging socio-economic development in the country. Bank of Alexandria aims to position itself as a reference for financial inclusion, economic empowerment and income support for small businesses and customers with no access to banking, with a greater focus on small farmers and artisans. In 2021, the Bank disbursed over 43,600 loans for a total of approximately 87 million euro, also providing customers with advisory services aimed at increasing their financial education, in collaboration with various strategic partners, including the World Food Programme (WFP).

FUND FOR IMPACT

The Fund for Impact is a specific credit line for businesses with a social impact and was established in 2019 to allow the disbursement of 1.5 billion euro of loans to categories that would otherwise find it difficult to access credit despite their own potential. For all the initiatives that refer to the Fund for Impact (Impact products) the compilation of an "impact detector" questionnaire (RIM) was made mandatory, which is a prerequisite for calculating the social impact attributable to the product.

The Fund for Impact supports the "Per Merito" initiative, the unsecured loan mainly intended for university students, which in 2021 financed 8,550 students by disbursing them about 71 million euro (about 162 million euro since the beginning of 2019). In 2021, the main novelties included the introduction of some innovations aimed at transferring a significant part of transactions online and the activation of new partnerships with numerous training institutions for the inclusion of higher education courses within the scope of the loans. In 2021, new products were made available within the scope of Fund for Impact:

- "Per Crescere", a loan dedicated to parents with school-age children, aimed at supporting training and education costs such as language courses or expenses for the development of psychomotor skills and speech therapy. Households with an ISEE not exceeding 40,000 euro can have access to a credit line of 2,000 or 3,000 euro per year for a maximum period of 5 years. At the end it is possible to return the sums used in 15 years.
- "Per Avere Cura", a product aimed at people with severe disabilities or those who care for a non-self-sufficient family member, in order to make healthcare costs more sustainable, such as nursing services or the purchase of healthcare accessories and provide support to caregivers. This is done through a credit line of 6,000 euro per year for a maximum period of 2 years. At the end it is possible to return the sums used in 15 years.
- "Per Esempio", dedicated to young people who carry out the Universal Civil Service involved in social assistance projects. People aged 18 to 30, residing in Italy, who have finished an experience of Universal Civil Service and who have to incur expenses related to starting their first work experience, can have access. The loan, repayable in 15 years, is for an amount between 2,000 and 8,000 euro.

Finally, the products already available in 2020 are still being offered, namely:

- "MAMMA@WORK", a loan for working mothers so that they can manage their financial commitments regarding their maternity while maintaining their working position. In 2021, the product financed 90 mothers, 175 from the start, for a total agreed amount of about 800 thousand euros;
- "XME StudioStation", a loan for households to support distance learning. In 2021 loans for 0.5 million euro were disbursed;
- "Obiettivo Pensione", a product that funds missing pension contributions for people who have lost their jobs and are waiting to retire. The product provides for a long-term repayment of the financed amounts.

SUPPORT FOR HOUSEHOLDS

Intesa Sanpaolo participates in the Guarantee Fund for Main Home Purchases, established by the 2014 Stability Law. The so-called “Sostegni-bis” Decree published in May 2021 refinanced the Fund for the years 2021 and 2022, making the following changes to the way it works:

- variation in the requirements for access to the Fund by individuals identified as having priority, moving the age limit for young people from 35 to 36 years;
- raising the percentage of coverage of the guarantee from 50% to 80% of the principal of the existing loan, if certain conditions occur.

The Bank offers mortgages to priority individuals at favourable conditions ranging from exemption/cancellation of the substitute tax, to the possibility of accessing high Loan To Value (LTV) also with the guarantee of the State and the benefit of very competitive rates. In 2021, 4,488 mortgages of a value of almost 500 million euro were issued.

The Group also signed up to the Agreement for women victims of violence which ABI and the main trade unions also signed. For women included in certified security programmes, who are in economic difficulty, the agreement provides for the suspension of repayment of the principal in mortgages and personal loans for a period of 18 months. When signing up to the Agreement, the Bank also provided for the suspension of the entire instalment to offer greater support. In November 2021, the protocol was extended for a further two years. The Bank has for some years been operating the “Anticipazione Sociale” project, designed for redundant workers who receive their INPS benefits 7-8 months after applying. The product provides credit facilities with favourable terms, until their redundancy benefits arrive from INPS. Through agreements signed with the Piedmont, Emilia Romagna, Tuscany and Veneto Regions, the worker does not bear any charges as these are covered by the project partners.

Since 1 June 2021, the Group has provided the free extension of Intesa Sanpaolo health insurance policy coverage to include COVID-19.

SOLUTIONS FOR YOUNG CUSTOMERS

Intesa Sanpaolo focuses on young people and their needs through a dedicated comprehensive offer, which concerns:

- “Mutuo Giovani”: an offer that facilitates young people with a house purchase by accepting requests of up to 100% of the property value, providing for subsidised rates, elimination of application fees and instalment collection costs. The “Mutuo Giovani” has thus gained a positioning on the market which sees the Group as the main lender of this target clientele. The total disbursement in 2021 – also considering the Guarantee Fund for Main Home Purchases (see paragraph above) – is about 4.9 billion euro to over 38,000 young people;
- “XME Prestito Giovani” can also be activated via the App or via the Internet and provides for favourable terms and allows, at no additional cost, to defer payment of instalments or change the amount as needed and can also be applied for in the case of a fixed-term or atypical employment contract or if the person is a freelancer. The “StudioSi” initiative is also added to the offer, which supports students engaged in tertiary education courses consistent with the National Smart Specialisation Strategy (NSSS), who are resident or enrolled in universities in certain Italian regions. The initiative allows for the granting of zero-interest loans to university students, up to 50,000 euro to be repaid in a maximum of 20 years without guarantees, to cover tuition fees, purchase of books and other costs associated with studying. Furthermore, with reference to the Fund for Impact, one should also note the “Per Merito” loan, which facilitates young students gaining access to studies;
- “XME Conto Under 35” and “XME Conto UP!” (dedicated to minors) offer current account fees, a debit card, bank transfers and ATM withdrawals free of charge and with tax paid by the Bank. During 2021, fees on other payment services (for example with the Flash prepaid card) were also cancelled;
- “SMART SAVE”, the first of the investment services designed from a digital perspective that allows customers to subscribe to funds starting from 5 euros and to manage all transactions directly via the App;
- The pre-paid “Flash Up Studio” card for students attending the partner Universities. It can be requested free of charge directly via the App: it can be used to make payments, receive scholarships, any emoluments and, if applicable, allows the holder to use university services and access University premises.

WOMEN’S ENTERPRISE SOLUTIONS

The Business Gemma loan supports businesses run by women and also women freelancers, benefitting free of charge from the guarantee of the special section of the SME Fund for Women’s Entrepreneurship and allows them to request suspension of the capital portion of their instalments for up to 12 months during the

amortisation period, whenever particular events occur in their life, such as for example maternity or illness. In 2021, 67 loans were disbursed for a total of 3.2 million euro.

Within the area of the International Subsidiary Banks, the Women in Business programme of the European Bank for Reconstruction and Development (EBRD) is active in two countries. Its goal is to support micro-enterprises and SMEs run by women in the Western Balkans by offering subsidised loans, technical advice and sharing know-how with the women beneficiaries of initiative. In 2021, Banca Intesa Beograd disbursed 492 loans to local SMEs for about 5.5 million euro, while Intesa Sanpaolo Bank Albania disbursed 13 loans for about 600,000 euro. In addition, among the various actions to promote female entrepreneurship, Intesa Sanpaolo and Intesa Sanpaolo Bank of Albania organised a seminar at the beginning of 2021 in order to present the products in the Women in Business programme and the mitigation measures adopted by the Bank in support of companies affected by the earthquake and those affected by COVID-19.

WOMEN VALUE COMPANY AWARD

In support of gender equality and the enhancement of the role of women in entrepreneurship, Intesa Sanpaolo promotes the “Women Value Company - Intesa Sanpaolo” award together with the Marisa Bellisario Foundation. In its fifth iteration in 2021, the award is given to small and medium-sized enterprises that implemented concrete and innovative policies and strategies to guarantee men and women equal opportunities and equal recognition in their careers. From about 800 candidates from all over Italy for the 2021 edition, 100 SMEs received awards in the final event that was held in live streaming in the month of July 2021. The event was an occasion for sharing views and opinions on corporate policies and best practices aimed at eliminating the gender gap, for an effective debate that aims to inspire and develop the corporate culture of Italian SMEs.

REMITTANCE MANAGEMENT

Intesa Sanpaolo offers specific products for foreign customers in Italy who need to send money to their home countries. Also in 2021, to facilitate customers in this difficult period, an agreement was reached with Western Union to cut costs to zero for remittances made through Money Transfer throughout the first half of 2021. Conversely, in the second half of the year, the Welcome initiatives were launched, providing zero-commission remittances for new customers signing up to the Money Transfer service.

During 2021, over 72,000 remittances were made for a total of almost 42 million euro.

PERMANENT OBSERVATORY ON FINANCIAL INCLUSION PROJECT

In recent years, there has been a growing interest and attention to the issue of financial inclusion. Several national and international initiatives, including legislative initiatives, have highlighted the role that financial inclusion can play in reducing inequalities and providing full access to rights. In 2021, a Permanent Observatory on Financial Inclusion was established to systemise the connections between all the actors met in the past in various working groups, inside and outside the Bank, in institutions, research centres, universities, foundations and so as not to lose the wealth of people, proposals and knowledge acquired with the study project on financial inclusion of migrants (2018-2020). It is a project that aims to turn the systemic approach into a method of study and work and to enhance and structure these experiences, with shared logic, procedures and proposals. It is believed that such a method can be a key factor in structuring the experience of the project on the financial inclusion of migrants compared to other “vulnerable” segments of the population. The objective of the Permanent Observatory, in addition to constantly monitoring the phenomenon of financial exclusion and measuring the effectiveness of the adopted measures and strategies, will therefore be to facilitate network connections and the progress of effective proposals at the system level.

RENAISSANCE PROGRAMMES

The Renaissance Programmes are an innovative and timely response that Intesa Sanpaolo provided to deal with the economic and social emergency, caused by the spread of COVID-19. These programmes supporting the real economy enable virtuous mechanisms for public-private-non-profit partnerships and are designed for start-ups, micro-enterprises and SMEs wishing to carry out development and innovation projects with impacts on their local area. As part of these programmes, the so-called Impact Loans were created, which are innovative and sustainable, long-term financing tools that are qualified as a form of patient capital with very modest costs. During 2020, Intesa Sanpaolo and the Municipality of Bergamo launched the Bergamo Renaissance Programme, in order to support an area that was particularly affected by the spread of COVID-19. The initiative, with a total value of 30 million euro divided into 10 million euro of non-repayable grants and 20 million euro of Impact Loans, saw the participation of the Cesvi Foundation as Actuating Party, and was arranged into various calls for proposals, in support of different types of Beneficiaries, who have submitted projects aimed at consolidating, adapting, renewing, innovating and/or reorganising their businesses. In particular, during 2021 the last two calls for proposals provided for by the initiative were activated and dedicated respectively to small companies and micro-enterprises in the trade sector with their registered offices in the Municipality of Bergamo. During 2021, the Programme recorded the stipulation of over 200 Impact Loans, for an amount equal to over 4.2 million euro.

The Florence Renaissance Programme was launched in the fourth quarter of 2020 by Intesa Sanpaolo and Fondazione CR Firenze, with the aim of supporting micro and small enterprises, craft activities, profit and non-profit organisations in the Metropolitan Area of Florence, operating in various fields: arts and crafts, tourism and culture industry, fashion industry, food and wine business and lifestyle (including cosmetics and perfumes), world of start-ups/technology/Industry 4.0, agritech and agribusiness. To support the Programme, the Fondazione CR Firenze provided 10 million euro to be disbursed in the form of grants and the Bank provided up to 50 million euro to be granted as Impact Loans. The Programme, which is arranged based on the representative sectors in the area through 5 calls for proposals, promoted and managed by the Actuating Parties, intends to support the implementation of projects for the revitalisation/reorganisation of activities that are credible and have a social impact that can be measured through defined social KPIs within each individual project. After the launch in 2020 of the first three calls (aimed at the sectors of: arts and crafts; tourism and culture industry; fashion industry, food and wine business and lifestyle), in 2021 two new calls for proposals were activated, dedicated respectively to start-ups, micro-enterprises and innovative small enterprises, and to micro-enterprises and small enterprises in the agro-industry sector. During 2021, the Programme recorded the stipulation of 103 Impact Loans, for an amount equal to over 19 million euro.

INITIATIVES IN COLLABORATION WITH THE DIOCESES

The initiatives in collaboration with the dioceses aim to support families, craftsmen, tradesmen and small businesses, allowing them to overcome the current period of crisis caused by the pandemic and return to their normal conduct of life or work. These projects are intended for specific areas and communities, with the aim of supporting the restart phase and reducing the additional inequalities and social conflicts worsened by the spread of COVID-19 which has made family and employment situations more fragile.

Similar to what was created in Bergamo, through the project that ended in 2020 “Ricominciamo insieme – Sostegno alle generazioni nella famiglia” (Let’s start again together – Support for the generations in the family), during 2021 new programmes continued their progress in the local area: “Vigevano Solidale” (Solidarity for Vigevano) (in collaboration with the Diocese of Vigevano) and “Torino Fondo Sorriso” (Turin Smile Fund) (in collaboration with the Diocese of Turin), aimed at families and micro-enterprises, in order to contain the social and economic emergency linked to unemployment, loss of jobs and turnover. The programmes involve, in particular, the provision of Impact Loans from the Group to micro-enterprises, backed by a solidarity guarantee fund set up beforehand by the local institutions involved. For “Vigevano Solidale”, the Bank has also made it possible for private individuals to participate in specific fundraising operations through the For Funding platform.

SUPPORTING THE THIRD SECTOR

In ways similar to those of the Fund for Impact, the Solidarity and Development Fund supports the operations of the Impact Department of Intesa Sanpaolo, facilitating the granting of credit to customers in the Third Sector with good prospects but some difficulties in accessing credit.

The Department operates with respect to the Third Sector with an offer dedicated to its organisations, a total deposit of about 9 billion euro, of which about 6.9 billion in direct deposits, as well as loans for about 2.8 billion.

CROWDFUNDING PLATFORMS

For Funding is the social crowdfunding platform of the Group aimed at organisations, non-profit associations and foundations which want to launch a fundraising campaign. The initiatives are selected by an internal team which assesses the beneficiary organisation and the type of projects so as to enhance the value of the most deserving. Each transaction is free for both the donor and the beneficiary. For Funding is a unique and distinctive model in the world of social crowdfunding and for loans to non-profit projects. In 2021, For Funding raised about 11.4 million euro in donations, exceeding the 2020 amount that had ranked it in 2020 as the leading Italian Donation Crowdfunding platform.

In 2021, the FORMULA programme was activated through which more than 30 projects were launched and supported by For Funding throughout the national territory. These projects are identified by the Bank's local structures, which have a thorough knowledge of their local area and are thus able to learn about important charitable initiatives that fail to obtain the visibility they need, as they are small organisations in small local realities. The projects aim, for example, to support reception centres for children in difficulty, social cooperatives that seek to prevent the marginalisation of adolescents, facilities for the elderly and disabled persons, but also aim to redevelop the suburbs or particular spaces, such as sports complexes that help to combat situations of hardship for young people through the aggregation and values of sport. In 2021, more than 5.3 million euro were raised for projects within the scope of FORMULA.

Some projects within the scope of For Funding involve a direct donation made by Intesa Sanpaolo. Specifically:

- 30 euro for each Green Mortgage disbursed and 10 euro for each Green loan are donated to the "Dona una Casa alle Api" (Donate a House to Bees) and "Forestami" (Urban Forestation) Project;
- 4.60 euro are donated for each signed "Proteggi Salute" (Health Protection) policy and "Salute e Infortuni" (Health and Accidents) module, to the project "Crescere Protetti" (Grow Protected) by the Fondazione Rava, to offer a Health policy free of charge to children from families in difficulty or fostered outside the family. At the end of 2021, the Bank had donated about 172,000 euro.

In addition, 50% of the interbank fees on the "Exclusive" credit card are donated to the "Prendersi cura non ha scadenza" (Caring has no expiry date) project in collaboration with Don Gino Rigoldi.

Starting in November 2020, Intesa Sanpaolo hosted the "Scena Unita" (United Scene) project by the Cesvi Foundation on For Funding, in support of those in the music and entertainment industry affected by the COVID-19 emergency restrictions. The project closed at the end of April 2021, raising over 2 million euro, of which about 1.2 million donated by Intesa Sanpaolo Life.

EDUCATION AND SPREAD OF FINANCIAL CULTURE

In 2021, the Museo del Risparmio (Museum of Saving) responded to the uncertainty and challenges posed by the pandemic by adopting a method of training and spreading knowledge about the financial culture that is increasingly oriented towards "phygital", namely combining the immediacy and usability of digital communication with physical interaction, where the context has allowed it.

This approach has allowed around 45,600 users to be reached during the year, of which 40,000 primary and secondary school pupils and teachers with a total of 844 training hours provided and 5,600 adults involved through events, dedicated promotional initiatives and visits to the Museum.

The S.A.V.E. Virtual Tour stands out among the new ideas developed for the school world. It is a multimedia programme dedicated to education on savings and sustainability, developed in collaboration with the EIB Institute, already adopted by 740 classes throughout Italy. This path allows pupils in primary and secondary schools to enjoy multimedia videos, gaming apps and workshops to learn how to consciously manage the scarcity of resources. The course is accompanied by in-depth webinars for teachers and online lessons for pupils.

After an experimental phase started in 2020, a modular proposal for financial education available online as part of the "Programmes for transversal skills and career guidance" (PCTO) reserved for secondary schools was put on the catalogue. The path, consisting of four 10-hour modules, explores four topics (Currency; Role of finance in society; Ethical and sustainable business; Risk and planning) with the viewing of multimedia content, the development of role plays and the realisation of group project works. In total, in 2021, 90 classes and about 1,800 students had taken part in the Museum's PCTOs.

The educational projects with face-to-face lessons for school groups, after the suspension due to lockdowns, were resumed in July, with the involvement of a total of about 1,350 pupils:

- MOneY LEarning: project developed with the EIB Institute and Fondazione per la Scuola della Compagnia di Sanpaolo and reserved for primary schools in Piedmont, Lombardy, Valle d'Aosta and Liguria;
- Next Land: a project developed with the Associazione Next Level, the Fondazione Vodafone Italia and various Turin museums to provide innovative teaching to schools in difficult neighbourhoods;
- La Bella Estate: educational programme developed with the Compagnia di Sanpaolo and city museums for groups in summer centres.

Twenty-three special events were held for adolescents, including:

- the 6th edition of “Il mio posto nel mondo” (My place in the world), a festival created in collaboration with the Lavazza Museum, which engaged over 6,000 students in two days;
- the 5th edition of the “Fuoriclasse della Scuola” (School Champions) Campus in collaboration with the Ministry of Education, FEduF, ABI and Confindustria, for the 60 best Italian students who won the National School Olympics.

Aware of the fundamental role of financial education as a useful tool to promote social inclusion of the most disadvantaged categories, the Museum of Saving continued to offer, both online and face-to-face, specific initiatives aimed at vulnerable individuals, such as “Welcom-ed” dedicated to migrants; “Prometti di prenderti cura di te” (Promise to take care of yourself), for women in vulnerable conditions; “LEI” and “Logos” for the social reintegration of female prisoners on their release and for former prisoners (36 meetings for a total of about 70 hours of training). In addition, a “Permanent Discussion Group for Financial Education and Social Inclusion” was launched together with the Fondazione Triulza and the Foundation for Financial Education and Savings in order to provide operators in the Third Sector with effective tools to disseminate basic financial skills among their reference groups.

At the same time, the outreach activity for the adult audience continued with a schedule of 30 digital and blended events (of which 10 were reserved for teachers) which reached about 3,400 people live and 2,300 on-demand views¹ during the period considered. The new formats introduced in 2021 included four events and an online review, four Digital Live Talks and a competition for young designers aimed at raising awareness among the younger generations about the fight against waste and the importance of a green approach.

On the international front, on the occasion of the World Savings Day, the collaboration between the Museum and the Banks of the International Subsidiary Banks Division continued in 2021; nine of them proposed activities promoting financial education within “The Art of Saving” initiative, involving 120 local schools and reaching over 5,000 participants.

Lastly, it is worth noting the experimental project launched by the Museum of Saving in collaboration with Intesa Sanpaolo Innovation Center – through its Neuroscience Lab - and the IMT School for Advanced Studies in Lucca, which promoted the implementation of a neuroscientific study on the saving behaviour in girls and boys, using cutting-edge technological tools.

The partnership with the Osservatorio Permanente Giovani-Editori (Young Publishers’ Forum) for the Young Factor project continued in 2021, with the aim of supporting young people’s critical reading and economic and financial literacy. The initiative managed to continue with the project in schools, in spite of the health emergency, thanks to distance learning involving over 565,000 pupils.

Developed within the scope of the Il Quotidiano in Classe (Daily Newspaper in Class) initiative, which through the reading and comparison of different newspapers aims to help young people to develop that essential critical spirit in order to become tomorrow’s free citizens, the project intends to facilitate the spread of an economic-financial culture among young people, providing them with useful knowledge support so as to make informed choices about their future and to foster the creation of responsible citizens. Teachers and classes participating in the project include focused studies in their syllabus on the main topics underlying the economy, finance and the rules that govern financial and banking activities. The educational work is inspired by current issues (the economic crisis, the performance of financial markets, etc.) and allows the various topics to be looked at in detail and related to the youngsters’ daily reality.

¹ The data refers to the views of the recordings of events on the Youtube or Instagram channels of the Museum of Saving.

SUPPORTING PRODUCTION

Intesa Sanpaolo puts itself forward as a point of reference, and not just financially, to support the country’s economic system and the business and associative world, also during the period of the COVID-19 emergency. The Group assists its customers in a consolidated and long-term relationship model founded on quality, reliability and trust.

With regard to businesses and SME customers, the Group puts forward solutions that support the future of Made in Italy in the world and contribute to sharing their internationalisation, capitalisation and development processes, with particular attention to the topic of economic, social and environmental sustainability, as stated in the 2018-2021 Business Plan.

SUPPORT FOR BUSINESSES IN ITALY

In 2021, Intesa Sanpaolo allocated a total of approximately 77 billion euro in new medium-long term loans to the real economy with approximately 66 billion euro in Italy, of which around 55 billion was disbursed to households and SMEs.

In 2021 the Group facilitated the return from non-performing to performing status of around 10,000 Italian companies, with a positive impact on employment through the protection of approximately 50,000 jobs.

In response to the COVID-19 emergency, Intesa Sanpaolo promptly implemented the measures specified in the Government Decrees, through concrete aid initiatives for companies to support them in times of difficulty. The support provided to households and businesses during the health emergency consisted mainly of the suspension of payments of mortgage and loan instalments and the disbursement of subsidised loans. In 2021, almost 14 billion euro of loans were disbursed with government and SACE-based guarantees.

The Italian National Recovery and Resilience Plan (NRRP) provides for a package of investments, to be carried out by 2026, substantiated in a set of projects that aim to strengthen the growth of the country. Intesa Sanpaolo, in support of the Italian economy throughout the duration of the NRRP, has established a plafond of 400 billion euro for dedicated loans. In 2021, Motore Italia was launched, the programme to support the recovery of the entire Italian production system, based on the key priorities of the NRRP: sustainability, financial support, investments, extraordinary finance and digitisation. The Motore Italia Digitale offer is geared to this last aspect. Motore Italia is a plafond of 50 billion euro available to Italian companies to address any future challenges. In addition to the support offered with the guaranteed loans of the Medio Credito Centrale (Guarantee Fund) or SACE and the possibility of accessing the suspension of business loans, all the tools are made available to design the future by seizing all the opportunities available: ranging from the tax benefits of the Superbonus and the Transition 4.0 plan, to the new extraordinary finance products, and the innovation offered by non-financial solutions to digitise and simplify business management.

As part of the financial support to companies interested in improving their digital profile, to which the NRRP dedicates 27% of its available resources, the D-Loan offer has been developed, which provides for the granting of loans with subsidised rates for companies that promise to commit to a list of selected “digital” KPIs.

The offer is activated when the loan application is drafted, through the signing of an addendum in which the customer undertakes to formalise the “digital” purposes of the requested loan and to declare, in the explanatory notes to the financial statements, that they have made investments in the selected areas.

Since August 2020, Intesa Sanpaolo has made the tools available to allow customers to benefit from the Superbonus and other tax bonuses on building improvements. In August 2021, it introduced significant changes to the process to make it more simple and also new digital changes to ensure a more efficient and timely service in the credit certification and assignment procedure. For further insights into the offer, see page 182.

The growth of Italian SMEs is also supported by the Extraordinary Finance structures and the partnership with Elite of Borsa Italiana, through innovative financial solutions that give companies high visibility to institutional investors and enhance their reputation and financial culture. In partnership with Confindustria, in 2021 Intesa Sanpaolo took 58 companies representing all of Italy and its economic sectors to three Elite Lounges (an international programme to accompany the most ambitious companies in their development phases), in a digital version.

In 2021, the Intesa Sanpaolo Basket Bond Programme continued, again in partnership with Elite. This is an operation allowing SMEs to issue bonds which envisages a potential, subsequent securitisation through “Notes” geared to institutional investors. The Programme, structured in several tranches, recorded until 2021 the subscription of bonds for a total amount of 135 million euro and involved 18 SMEs throughout Italy.

As part of the support to companies, the following initiatives are also of importance:

- “Micropagamenti” (Micropayments), which provides for the cancellation of POS commissions for transactions of an amount equal to or less than 10 euro for small companies participating to the initiative;
- “Pay by Link”, available for Intesa Sanpaolo-Nexi physical POSs, which allows the business partner to accept remote payments, without having an e-commerce site, in line with the need to give priority to payment solutions that protect the safety of merchants and their customers in compliance with anti-COVID rules.

For the enhancement of Italian entrepreneurial excellence, in 2021 the Group created the third edition of “Imprese Vincenti” (Winning Companies), the programme that highlights the growth and digital transformation programmes and the business models developed by companies to react to the pandemic crisis. The objective is to provide visibility, development support programmes, strategic skills advice, training and workshops in collaboration with key partners. The third edition recorded excellent results: about 3,500 candidate companies, 114 companies selected and celebrated as Winning Companies during the 8-stage Digital Tour, each dedicated to a distinctive theme for the growth strategy of SMEs: Innovation-R&D, Internationalisation, Digitisation, ESG and Sustainability, Supply Chains and Territory, Human Capital, with a focus on the agri-food sector and non-profit enterprises.

“RESTO AL SUD”: SUPPORT FOR NEW BUSINESSES

Since 2018, Intesa Sanpaolo has been a member of “Resto al Sud” (I’m staying in the South) initiative, in favour of aspiring and budding entrepreneurs for the creation and development of start-ups in Southern Italy, in the municipalities affected by the 2016-2017 earthquake and in the lagoon, lake and island areas of Central and Northern Italy. The initiative, managed by Invitalia, has a budget of 1.25 billion euro from the Development and Cohesion Fund. The audience of beneficiaries, over time, has been extended to those under 56 and to freelancers. The maximum amount that can be financed is 30,000 euro in the case of a company with only one proposer (equal to 50% of the maximum amount that can be requested from Invitalia for the investment) or 50,000 euro per individual shareholder of a company, with a maximum of 100,000 euro that can be financed for projects with multiple proposers (also in this case equal to 50% of the maximum amount that can be requested from Invitalia for the investment). The measure provides for a mix of favourable terms such as: bank loan amount equal to 50% of the approved investment; non-repayable grant, provided by Invitalia, equal to 50% of the approved amount; 662/96 guarantee, equal to 80%, to support the loan request. Intesa Sanpaolo was among the first banks to adhere to the ABI/Invitalia Agreement to offer subsidised loans, disseminating knowledge of the project to thousands of potential beneficiaries during more than 50 dedicated local meetings. Overall, since the launch of the initiative to date, more than 1,000 loans have been disbursed for over 39 million euro.

CORPORATE CREDIT AGREEMENTS

The prolonged period of emergency caused by the pandemic has seen the Bank implement new initiatives to accompany businesses, in line with the guidelines of the NRRP. This has offered the Bank the opportunity to take another look, with a view to the future, at the paradigms to facilitate a process of renewal in Italian companies, in particular in the areas of Digitisation and Sustainable Investments.

By signing new agreements with the main trade associations (Confindustria, Confartigianato Imprese, CNA-Confederazione Nazionale dell’Artigianato, Fipe Federazione Italiana Pubblici Esercizi, Federlegno Arredo, SMI Sistema Moda Italia, Uciimu, Federalberghi) the aim has been to provide support for the immediate needs of businesses by providing tools with a view to making a recovery that increases the competitiveness of Italian companies on global markets.

In 2021, there was continued use of the subsidised provisions from the agreements signed by Intesa Sanpaolo with EIB, where applicable on the basis of the established eligibility criteria. In June 2021, the agreement with EIB was renewed on the basis of which Intesa Sanpaolo can finalise, over a period of 24 months, new loans with a maximum duration of 6 years, for a total of 300 million euro with a discount of 10bps applied to bank rates.

In 2021, Intesa Sanpaolo continued to build the portfolio of new loans of up to 300 million euro guaranteed by FEI Innovfin and linked to research, innovation and development projects, based on the original agreement of 2018, renegotiating the extension of the availability period up to 31 December 2022 (the ordinary guarantee percentage remains at 50%). The “Linea COVID-19” (COVID-19 Line), specifically reserved for working capital needs with coverage of 80%, was also revised by increasing the duration of the loans with guarantees from 6 to 8 years, with confirmation of its term of operation up to 31 December 2021. The primary objective of the guarantee is to facilitate access to credit for SMEs and innovative Small Mid-Cap businesses, with a medium-low internal rating class, by incentivising product and process innovations and investments in digital technologies.

In addition, the Bank took steps to launch the SME Initiative, an initiative promoted by the European Investment Fund (EIF), for the financing at subsidised rates of investment projects of companies operating in the Southern regions of Italy. With this instrument, the Group undertook to disburse loans for a total of over 350 million euro in favour of SMEs with a benefit for them of a 50bps discount on the reference pricing. Thanks to the agreement reached with the EIF at the end of 2020, the initiative was also extended to supporting the working capital of companies that have suffered damage following the pandemic.

“DIALOGO INDUSTRIALE” AND THE “SVILUPPO FILIERE” PROGRAMME

“Dialogo Industriale” (Industrial Dialogue) was created with the aim of increasing the strength of dealings of managers with companies, identifying a common language for a better understanding of their needs, oriented to offering solutions better suited to the objectives and peculiarities of each company.

In 2021, a specific assessment support programme was launched in the area of ESG of customers. In particular, there were improvements to information, priorities and needs in the ESG area were identified and a dedicated section was created, retrieving all the ESG information available on the individual company examined.

In order to support businesses of every sector and every size, facilitating their access to credit, in particular in the post-COVID recovery phase, the “Sviluppo Filiere” (Supply Chain Development) programme continued, focusing attention on the relationship that links lead companies with the suppliers’ network and enabling a more detailed understanding of the financial requirements of individual supply chains.

Agreements were signed with the involvement of direct and indirect suppliers and the involvement of the supply chain downstream of the retailers. An offer is being developed to support the sustainable evolution of the supply chains, with the engagement of the chain leader and the suppliers to improve their sustainability profile. At the end of December 2021, there were around 800 participating lead companies with potentially over 19,000 suppliers and a workforce of over 107,000 employees.

SUPPORT FOR THE INTERNATIONALISATION OF BUSINESSES

Intesa Sanpaolo assists Italian businesses and their subsidiaries abroad by providing financial and advisory support for their various needs related to internationalisation with support from:

- a foreign Network consisting of subsidiary Banks, international branches and representative offices in around 40 countries worldwide with specialised Desks (Corporate Desks and Multinational Desks), and a coverage in over 80 countries through cooperation agreements with other Banks;
- a service model that makes use of Internationalisation Specialists throughout Italy who represent a point of reference for the international Network and operate in constant contact with the Italian network with the aim of supporting Italian companies and their foreign subsidiaries in international markets; in addition, for every need and for identifying the best financial solutions in terms of import and export trade, Intesa Sanpaolo supports Italian businesses through a widespread network of Foreign Development Experts and Sales Global Transaction Banking Specialists dedicated to the needs of Trade Finance and Cash Management;
- a Business Strategy team that supports customers in implementing foreign development projects by identifying qualified partners, in Italy and abroad, who can provide specialist assistance and advice to expand their business abroad even in the most difficult markets;
- an offering of domestic and cross-border products, which, in the purely transactional area, aims to offer corporate customers the opportunities offered by the entry into force of Payment Services Directive 2 (PSD2).

In addition, to facilitate international development of businesses and promote knowledge of the international Network and its available services, Intesa Sanpaolo organises various types of events (face-to-face or online) on internationalisation in Italy and abroad, accompanies businesses on missions and to trade fairs abroad in cooperation with various external partners, institutional bodies and trade associations, and arranges various forms of internal and external communication tools.

CORPORATE WELFARE SERVICES

The Welfare Hub service is provided by Intesa Sanpaolo to client companies that intend to provide bonuses to their employees in the form of welfare services, as an alternative to paying them in their salaries, thus taking advantage of the tax benefits provided by the law for both the company and the employees. Through a digital, multimedia and multi-channel platform - that can be browsed via PC, tablet and smartphone and can also be accessed via App – the employees can convert their bonus into a series of goods and services, called Flexible Benefits. Thanks to the activation of the new Welfare on Demand circuit, since July 2021 employees have also been able to use their “welfare credit” at approved local facilities, thus enabling the enhancement of local communities and areas. The Welfare Hub was proposed as a sustainability tool by the “Sviluppo Filiere” programme and by the S-Loan project and, at the end of 2021, it had 4,115 companies that had signed up to the platform.



Sustainable investments and insurance



Sustainable investments and insurance

RELEVANT ISSUES

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WHY THESE ISSUES ARE RELEVANT

The financial system plays a fundamental role as accelerator of the transition towards a more sustainable economy. Aware of its role, Intesa Sanpaolo considers the integration of ESG factors into its investment process of fundamental importance, in the belief that these elements, as well as promoting economically and socially sustainable development, can contribute positively to the financial results of customer portfolios, while at the same time reducing their risks.

The European Union has also adopted a series of measures to direct capital flows towards sustainable investments so as to integrate sustainability into risk management and to promote transparency and long-term vision in economic and financial activity, such as the Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation): this represents a further stimulus to reinforce the commitment of the Group to act as a responsible player in global change, also through the increasingly well-structured offer of sustainable investments and the availability of insurance solutions for the protection of customers, in line with European plans and regulations.

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Projects/Indicators	2021 Action/Results (cumulative value since the start of 2018 or 2019 value)	2021 objectives
Sustainable investments and insurance	Funds according to SFDR	<ul style="list-style-type: none"> ▪ Eurizon (including Pramerica) offers a diverse range of products across 172 funds in all the asset classes that promote environmental or social characteristics, among others, or that have sustainable investment objectives, classified according to Articles 8 and 9 of the new Sustainable Finance Disclosure Regulation - SFDR, with around 110 billion euro of assets representing around 46% of the total assets of the Funds managed. ▪ Fideuram offers 8 funds classified according to Articles 8 and 9 of the SFDR with a total of 2.6 billion euro of assets (about 3% of the total assets of the Funds managed). 	Consolidation of its leading role in sustainable investments
	Engagement activities with issuers	In Eurizon, there are 644 companies on which engagement activities have been conducted; these include 240 (over 37%) who have been engaged on ESG issues. The number of companies with ESG engagement has increased considerably compared to 2020 (+40%)	Enhancement of engagement activities in line with the Stewardship Principles
	Gross premiums non-motor insurance	1,265 million euro	Development of insurance offer

COMPANY POLICIES

Asset management and the insurance coverage of customers are central to the activities of the Intesa Sanpaolo Group, and are ensured through organisational structures in business areas specialising in asset management, private banking and protection requirements with financial and insurance products and services. Focusing on the customers' portfolio diversification requests on the basis of their needs (expenses, reserves, investments, pensions and protection) and specific goals in terms of the effective allocation of resources, the product and service range offered has been gradually expanded from financial management and consultancy to the area of protection which concerns all customers, from small to large assets, and from SMEs to large companies, with due adjustment of guarantees. The activity is therefore aimed at the development of financial and insurance products and customer advisory services to meet the welfare and protection needs of households and businesses, including in the long term. Guidelines and Rules for the marketing of financial and insurance products clearly explain the obligation of operators to act in a transparent, fair and diligent way in the provision of investment services, as required by applicable legislation as well.

In the Group's Code of Ethics, as regards the principles of conduct towards customers, asset management's focus is to increasingly highlight social, environmental and good corporate governance criteria in investment assessments in order to promote balanced and sustainable development. With this in mind, the range in the portfolio includes funds that apply selection criteria in compliance with the Principles for Responsible Investment with the aim of stimulating sustainability dynamics in the businesses invested in and to offer customers products that meet the new needs of sustainability. Eurizon Capital and Fideuram Asset Management SGR have also signed up to the Italian Stewardship Principles, which define the procedures for exercising administrative and voting rights in listed companies, in order to stimulate discussion and cooperation about social and environmental sustainability issues with listed issuers that the company invests in.

At the end of 2021, Eurizon Capital SGR, Fideuram Asset Management SGR and Fideuram Asset Management (Ireland) signed up to the Net Zero Asset Managers Initiative (NZAMI) and, through their insurance parent company Intesa Sanpaolo Vita, their membership of the two Net Zero insurance core business alliances, Net Zero Insurance Alliance (NZIA) and Net Zero Asset Owner Alliance (NZAOA), was formalised; the initiatives promoted by the United Nations have the aim of achieving net-zero greenhouse gas emissions by 2050 in order to combat climate change.

Describing itself in the 2018-2021 Business Plan as the leading Wealth Management and Protection Company in Italy and Europe, and in its role as Bank and insurance company, the Intesa Sanpaolo Group seeks to be a partner that is able to manage all of the assets and risks of households and businesses through a structured array of family welfare solutions and targeted insurance policies, also including protection products as pension saving, business continuity and corporate welfare choices.

As part of a more general process of integration of sustainability into business logic and strategies, the Intesa Sanpaolo Vita Insurance Group has subscribed to the Principles for Sustainable Insurance (PSI) promoted by the United Nations.

In 2021, the Group Companies launched a project to bring their activity into line with the first-level legislation of the Regulation (EU) 2019/2088 (Sustainable Finance Disclosure Regulation) and in general with the legislative developments in the area of sustainable finance. With this purpose in mind, Eurizon and the insurance Group also published a Sustainability Policy in 2021; furthermore, the insurance Parent Company approved and the Insurance Group companies absorbed the Policy on Sustainable and Socially Responsible Investments.

SUSTAINABLE INVESTMENTS

To strengthen its commitment also against the consequences of climate change and resource depletion, the European Union has issued Regulation (EU) 2019/2088 (SFDR) with the aim of strengthening investor protection by introducing new disclosure and transparency obligations for financial market participants. In 2021, the Group Companies started to bring their policies, roles and responsibilities, processes and reporting into line with the SFDR regulations.

Also in 2021, the Intesa Sanpaolo Group confirmed its leadership in sustainable investments. With 29 new products, the Group has reached a total of 180 funds that promote environmental or social characteristics (among others) or that have sustainable investment objectives, classified according to Articles 8 and 9 of the Sustainable Finance Disclosure Regulation, for an equity of over 113 billion euro, representing about 35.7% of the total assets of the Funds managed.

MEMBERSHIP OF THE NET ZERO ASSET MANAGERS INITIATIVE

To bear witness to its awareness of its own active role in combating climate change, in November 2021 Intesa Sanpaolo announced to have joined, through Eurizon Capital SGR, Fideuram Asset Management SGR and Fideuram Asset Management (Ireland), to the Net Zero Asset Managers Initiative (NZAMI). Eurizon and Fideuram – Intesa Sanpaolo Private Banking Division are the only Italian asset managers who signed up to the NZAMI in 2021. The initiative, launched in December 2020, is made up of international asset managers committed to supporting the goal of net-zero greenhouse gas emissions by 2050 in line with endeavours to limit global warming to 1.5 degrees Celsius, by supporting investments in line with this goal. In particular, the commitment also provides for setting an intermediate goal for the portions of AUM to be managed in line with the achievement of the above goal and to review the intermediate goal at least every 5 years to increase the percentage of AUM covered to include 100% of AUM.

NZAMI is a partner of “Race to Zero”, the UN-led campaign that brings together a coalition of initiatives committed to achieving net-zero emissions by 2050 at the latest.

Eurizon has also joined the Institutional Investors Group on Climate Change (IIGCC), a European body for collaboration among investors on climate change, who act to promote the reduction of carbon emissions.

EURIZON

Eurizon Capital SGR SpA offers investors a wide and diversified range of funds that integrate sustainability risks into their investment choices and as of 31/12/2021 it boasted assets of over 110 billion euro in funds that promote environmental or social characteristics, among others, or that have sustainable investment objectives, classified according to Articles 8 and 9 of Regulation (EU) 2019/2088 (SFDR), which represent about 46% of the assets managed in UCITS by the company.

The merger by incorporation of Pramerica SGR Spa became effective from 1 July 2021, at the conclusion of an integration process aimed at enhancing synergies and common objectives in the field of sustainable investments.

THE INTEGRATION OF ESG FACTORS INTO THE INVESTMENT PROCESS

The vision and mission of Eurizon Capital SGR underline the importance for the Companies belonging to the Asset Management Division of the Intesa Sanpaolo Group to work together with the companies they invest in to promote rules and behaviours that favour aspects of sustainability in their investments and promote high standards of governance. In fact, Eurizon believes that issuers that implement high standards in terms of environmental, social and corporate governance issues are able to generate sustainable performance in the long term.

During 2021, the asset management company integrated sustainability risks into its investment process pursuant to Regulation (EU) 2019/2088 (SFDR), relating to sustainability reporting in the financial services sector and its related rules for implementation; in this regard, in 2021, Eurizon adopted a Sustainability Policy that describes the methods for selecting and monitoring financial instruments adopted by the asset management company; the methods provide for the application of specific processes for selecting financial instruments, suitably graduated according to the characteristics and objectives of the individual managed products, which take into account ESG factors and SRI principles, in line with well-defined Strategies:

- “SRI exclusions and restrictions” in respect of issuers operating in sectors deemed not to be “socially responsible” to which restrictions or exclusions apply with respect to the Investment Universe of the individual

- assets managed (so-called “SRI Binding screening”);
- “ESG exclusions and restrictions” against “critical” issuers for which an escalation process is activated that determines restrictions and/or exclusions with respect to the Investment Universe of the individual assets managed (so-called “ESG Binding screening”);
- “Integration of ESG factors” in the analysis, selection and composition of the portfolios managed with the aim of building portfolios featuring an “ESG score” higher than that of the related investment universe (so-called “ESG integration”);
- “Carbon footprint” which provides for the integration of methods for measuring carbon dioxide (CO₂) emissions generated by issuers, aimed at the construction of portfolios featuring a carbon footprint lower than that of its investment universe;
- “Impact investing” that use investment selection methods aimed at generating a social or environmental impact together with a measurable financial return;
- “Active ownership engagement” with the promotion of proactive interaction with the issuing companies both through the exercise of attendance and voting rights and through discussions and sharing views with the investee companies, encouraging effective communication with the companies’ management.

For each of the Strategies, Eurizon has defined specific decision-making processes and operational limits aimed at containing the risks (including reputational risks) of the managed portfolios, whose compliance is monitored by the Risk Management Function with the support of the Compliance & AML Function.

In 2021, Eurizon also published its first Sustainability Report, which illustrates the actions taken by Eurizon Capital SGR in implementation of the “Sustainability Policy” and the “Commitment Policy” and traces the experience of the Asset Management Division on sustainability issues over the last 25 years.

For a correct implementation of its Sustainability Policy, Eurizon has defined a framework that provides for the involvement of numerous corporate bodies and structures, which contribute together towards the implementation of the Policy and which bear witness to the across-the-board nature of responsibilities at all levels.

On the basis of proposals from the Sustainable and Responsible Investments Committee (hereinafter also the SRI Committee), the Board of Directors defines the asset management company’s Sustainability Policy.

The CEO and General Manager formulates, with the support of the SRI Committee, the proposals for the Board of Directors regarding the methods of selection and monitoring of financial instruments; he identifies the main negative effects of investment decisions on sustainability factors and integrates the sustainability risks into the Remuneration and Incentive Policies and lastly monitors the implementation of the Sustainability Policy using the reporting prepared by the ESG & Strategic Activism Structure.

The SRI Committee is an advisory body, made up of internal members, to support the CEO in defining the proposals to be submitted to the Board of Directors on sustainability policies and in monitoring the implementation of strategies.

The Sustainability Committee is an independent, autonomous advisory body made up of external members, at the service of the Board of Directors, with expertise concerning sustainability in its many aspects.

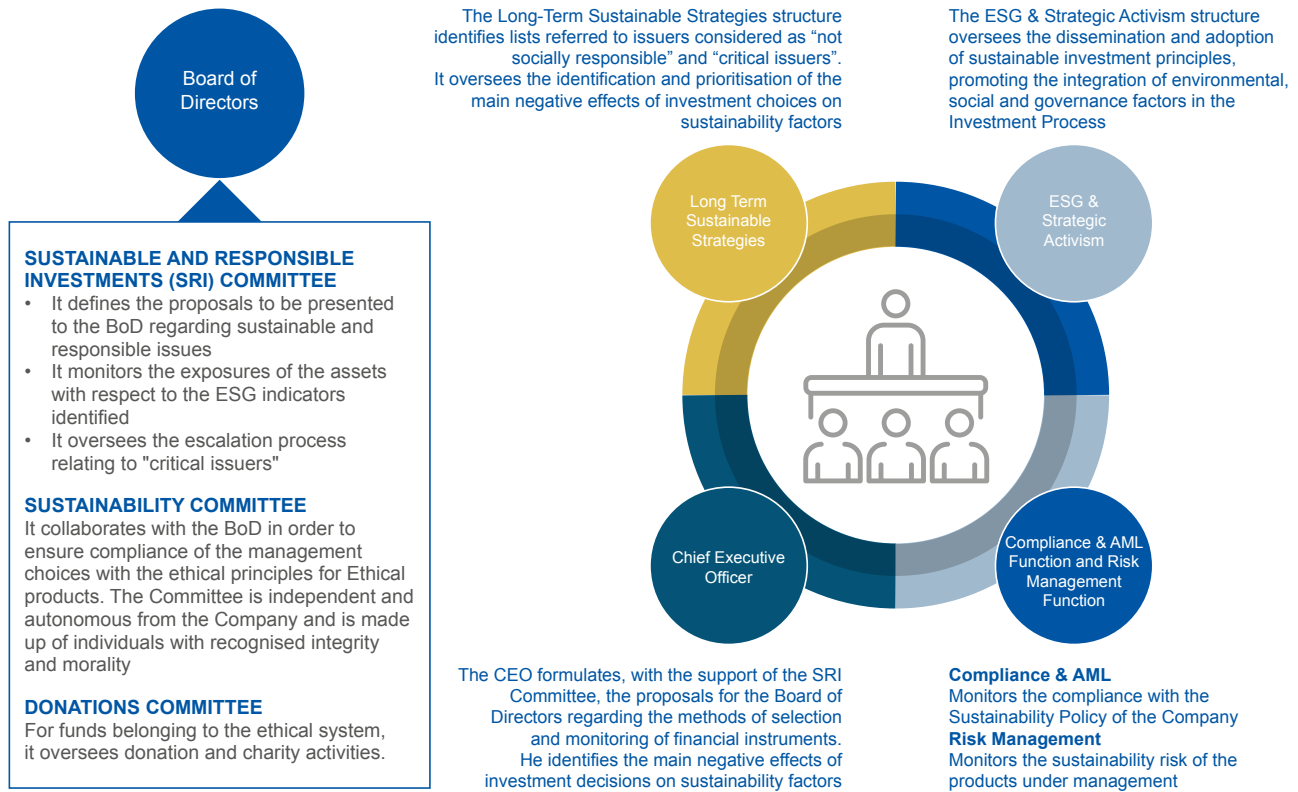
The Financial, Credit and Operational Risks Committee is a joint body aimed at monitoring the exposure to risks of managed products: The Committee monitors the results from analyses of the impacts of sustainability risks on financial products with the support of the Risk Management Function and monitors any actions used to mitigate the negative effects associated with investment decisions.

The Donations Committee is an internal body and oversees the donations made and charitable activities of the asset management company. For 2021, the Donations Committee approved the donation of a total of 386,000 euro in favour of 20 initiatives. In particular, in this context, initiatives aimed at supporting humanitarian, research and support activities for those in need were given priority.

In addition to the above committees, the corporate units and functions involved in the Investment Process regarding the integration of ESG factors are:

- The ESG & Strategic Activism structure, which is responsible for the development and implementation of the Company Policies in the ESG and SRI areas and for the correct performance of operational processes;
- The Long Term Sustainable Strategies structure in the Investments Department, which monitors corporate issuers also using specialised info-providers, in order to identify the lists referring to issuers deemed not to be “socially responsible” and issuers with a high exposure to ESG risks (“critical issuers”).
- The Compliance & AML Function, which monitors compliance with the Sustainability Policy, overseeing the correct application of the controls governed by external and internal regulations. In this context, it also oversees compliance with the decision-making process and operational limits aimed at containing the risks, including reputational risks, of the managed portfolios in relation to ESG and SRI issues.
- The Risk Management Function, which monitors the sustainability risk of the products managed, also coordinating with the Compliance & AML Function.

The Eurizon's main entities involved in the ESG/SRI process



ACTIVE OWNERSHIP ENGAGEMENT

In 2021, the companies subject to ESG engagement were up (+40%) compared to 2020, confirming Eurizon's strong commitment to sustainability issues and the effectiveness of the active ownership engagement instrument; 644 companies were involved in engagement activities; among these, 240 (approximately 37%) were involved in engagement on ESG issues. In particular, in 2021 Eurizon conducted 287 engagement activities on ESG issues, which represent 30% of the total (958 engagement activities) of the engagement activities for the entire year.

With regard to active ownership engagement activities, in 2014 the asset management company signed up to the Italian Stewardship Principles for the responsible exercising of administrative and voting rights in listed companies, with the commitment to promote high standards of corporate governance. These rights are exercised transparently in the interest of the portfolio subscribers and market integrity, while maintaining a strong focus on limiting potential conflicts of interest.

In 2021, Eurizon Capital SGR took part in 160 shareholders' meetings of select companies listed on Borsa Italiana (56% of the total) and the international markets (44%), voting on 1,773 resolutions on the agenda.

NEW PRODUCTS INCLUDING ESG FACTORS

Under Regulation (EU) 2019/2088 (SFDR), at the end of 2021, the assets of the UCITS (Undertakings for Collective Investment in Transferable Securities) offered according to Articles 8 and 9 amounted to approximately 110 billion euro, representing a total of 46% of the assets managed in UCITS by Eurizon; in particular, the assets of the products categorised as Article 8 amounted to approximately 107.8 billion euro and the assets of the products categorised as Article 9 to approximately 2.8 billion euro.

The number of products managed according to these criteria is 172 (23 of which were launched in 2021) - considering the individual placement windows - referring to 32 different investment strategies.

In particular, in line with the company mission, in 2021, the asset management company launched several UCITS focused on Megatrends and numerous window funds that integrate ESG factors in the selection process.

Within the scope of the International Subsidiary Banks Division, the ESG product offering of VUB Bank (Slovakia), Intesa Sanpaolo Bank (Slovenia) and CIB Bank (Hungary) was further enriched for a total of 45 ESG funds in the catalogue. Specifically, VUB Bank proposed five new ESG funds of Eurizon Luxembourg and an ESG fund under Slovak law, Eurizon SK ESG Zodpovedné Portfólio. Intesa Sanpaolo Bank in Slovenia has also launched five new Eurizon ESG funds. The offer of ESG products is included in the Recommended Portfolios offered to Retail customers of the three Banks mentioned.

EURIZON FUND ABSOLUTE GREEN BONDS - GLOBAL IMPACT REPORT [i]

In June 2021, the asset management company drafted the Global Impact Report regarding Eurizon Fund Absolute Green Bonds, which details the results of the quantitative impact analysis and the contribution to the UN's SDGs. The investments made during the analysis period (1 July 2020 - 30 June 2021) helped to achieve key environmental and social impact results, such as:

- a generating capacity of 622 megawatts, thanks to the financing of plants that produce renewable energy; these plants produced around 1.5 million megawatt/hours of energy;
- energy savings of around 175,322 megawatt/hours thanks to investments in sustainable infrastructure (real estate and transport);
- a reduction in annual emissions of harmful gases of over 1.2 million tonnes of CO₂;
- the saving and purification of almost 360 million litres of water through investments in plants and production processes;
- the recycling of 14,472 tonnes of waste;
- 15 jobs created by the entire portfolio.

For every million euro invested, the following results are obtained: 779 megawatt/hours produced, 186,819 litres of water saved or purified and a reduction of 662 tonnes of CO₂.

The Fund also contributes to meeting various Sustainable Development Goals (SDGs) and every bond in the portfolio can contribute to one or more goals and the percentage highlights the amount of bonds that contribute to this objective, including: 13. Climate action (95%), 9. Industry, innovation and infrastructure (95%), 7. Affordable and clean energy (81%), 11. Sustainable cities and communities (78%), 3. Good health and well-being (78%), 12. Responsible production and consumption (42%), 6. Clean water and sanitation (28%), 2. Zero hunger (22%), 15. Life on Land (17%), 14. Life Underwater (17%).

At the end of December 2021, the fund's assets amounted to over 2.4 billion euro.

It should be noted that Eurizon, thanks to Eurizon Fund Absolute Green Bonds, was ranked first at the ESG Investing Awards 2022, in the Best ESG Investment Fund category and also received an award at the MainStreet Partners "ESG Champions" 2022.

Following the absorption of the Regulation (EU) 2019/2088, the entire investment process of the Company, also with reference to institutional mandates, has been adjusted in order to take ESG criteria into account in investment choices. In particular, all mandates comply with exclusion criteria both with regard to SRI themes (with reference to issuers operating in non-socially-responsible sectors) and ESG themes (issuers considered critical with low ESG scores). A specific ESG report is regularly produced on a large number of mandates (45 mandates, 8.7 billion euro managed and a total of 27 customers), indicating the positioning of the portfolio with respect to the reference benchmark. In addition, Eurizon manages 14 mandates relating to 11 customers for approximately 2.9 billion euro on which specific investment restrictions are implemented and/or support is provided to customers in the engagement and corporate governance activities.

In order to encourage the dissemination of ESG issues, Eurizon uses supporting materials, presents and markets its products and also conducts specific info-training programmes. Within the Eurizon Wise Academy Programme, in partnership with some third-party companies, there have been online courses and Webinars available to all Financial Advisors as well as to representatives belonging to participating Institutional Customers (Pension funds, welfare funds); the courses address updates, current regulatory developments and those soon to be applied on issues related to sustainability, such as the investment process, active ownership engagement, the SFDR Regulation, the implementation of taxonomy, the new focuses on the ESG bond part, the launch of the Circular Economy, thus allowing a journey through sustainability issues that can help to clarify strategies and enhance advisors' expertise.

FIDEURAM - INTESA SANPAOLO PRIVATE BANKING

The Private Banking Division considers the integration of environmental, social and governance factors into its business model of fundamental importance, in the belief that these elements, as well as promoting economically and socially sustainable development, can contribute positively to the financial results of customer portfolios, while at the same time reducing the risks.

The acceleration required by regulators and civil society towards transformation to a more sustainable economy led the Division to further intensify the development of its approach to sustainability by launching the ESG Programme in June, an ambitious project that involves all areas of the Division and aims to integrate sustainability into all aspects of managing its business and operations.

Within the Division's Steering Committee, a Sustainability session (ESG) has been established that defines strategic actions and initiatives in the field of sustainability, also with respect to the guidelines of the ESG Control Room and in line with the principles of the Group's Code of Ethics.

Fideuram Asset Management, the Italian asset management company of the Private Banking Division, has also set up a structure called "ESG & Strategic Activism" to ensure proper management of issues at the level of the Division's product factories. This structure reports directly to the Chief Executive Officer/General Manager and is dedicated, among other things, to the integration of ESG metrics in the financial analysis of products managed by the product factories, the assessment of sustainability characteristics within the products distributed and managed by third parties, the management of products focused on sustainability and the monitoring of corporate governance and engagement with respect to issuers.

The Division's product Companies, Fideuram Asset Management SGR and Fideuram Asset Management (Ireland) continuously assess the possibility of joining collective sustainability initiatives, in line with the ESG principles promoted by the Division. To this end, during the year they joined the UN Principles for Responsible Investment and the Net Zero Asset Managers Initiative.

With the aim of outlining an approach geared not only towards sustainable and responsible investments (SRI) but also towards integrating environmental, social and governance factors (ESG), the Division's product Companies have been following Sustainable and Responsible Investment Policies since 2020. These policies involve all employees and freelancers and apply to company activities and investment processes. Commitment Policies have also been adopted to describe the forms of behaviour that companies should adopt to stimulate the sharing of views with the issuers and to encourage long-term commitment in the companies they invest in. In addition, both Companies have redefined the activity related to the exercise of administrative and voting rights, adopting the ISS proxy voting platform for securities held by the managed Funds. In accordance with the SRD II Directive, Fideuram Asset Management SGR has also adhered to the "Italian Principles of Stewardship" promoted by Assogestioni for the exercise of administrative and voting rights in listed companies, thus ensuring full transparency regarding the issuer's performance and strategy, governance, corporate social responsibility and risk management.

All these points are accompanied by the activities aimed at achieving compliance with the first level legislation of Regulation (EU) 2019/2088 (SFDR) and in general with the regulatory developments in the field of sustainable finance, also closely linked to an increasing integration of ESG factors in the investment and risk management processes.

In 2021, the Private Banking Division launched the ambitious ESG Programme, whose main objectives are the following:

- define the strategic positioning of the Division with respect to ESG issues;
- integrate sustainability into the service model;
- include sustainability factors and risks both in the investment process and in the financial advisory activity;
- fulfil legislative obligations.

In order to achieve the expected results, the Division has divided the Programme into 11 areas, each with well-defined key objectives, which represent the priority fields for developing its ESG approach, actively involving all company functions.

The Division has identified among its main goals to be pursued the expansion of its offer of products that are sustainable and that also promote environmental and/or social characteristics and that have as their goals sustainable investments, respectively according to Articles 8 and 9 of the SFDR, with a view to also responding to the needs of customers increasingly sensitive to the issue.

During 2021, as part of the Funds à la carte offer, four new funds were developed based on sustainability, three of which were classified under Art. 8 and one under Art. 9.

The Fideuram Group ESG offer consists of 8 funds, seven of which classified under Art. 8 and one under Art. 9 of the SFDR Regulation, for a total of AUM as at 31 December 2021 of 2.6 billion euro, representing about 3% of total assets in the managed Funds.

FONDITALIA 4 CHILDREN

On 15 July 2021, Fideuram Asset Management (Ireland), in collaboration with UNICEF, launched the Fonditalia 4 Children fund, the first sub-fund of Fonditalia to be classified according to Article 9 of Regulation (EU) 2019/2088 (SFDR), as it pursues sustainability objectives with particular attention to the social sphere. The portfolio is built by selecting companies that support and foster social goals such as, but not limited to, improving health and well-being, decent working conditions and economic growth, quality education, sustainable cities and communities with a thematic focus on children's rights. The product envisages collaboration with Unicef for defining the exclusions of securities from the investment universe and the recurrent donation of an amount as fees in support of certain projects of theirs.

In 2021 specific criteria were defined for the selection of UCITs of third-party asset managers through financial analysis performed by the Multimanager and Alternative Investments unit in collaboration with the ESG & Strategic Activism team, also in compliance with the Regulation (EU) 2019/2088 (SFDR). The analysis takes into consideration whether the asset manager in question and the individual UCITs adopt investment policies that include ESG or SRI criteria, in addition to the possible presence of additional distinctive ESG-type elements in the individual products. As part of the Asset Management services, the ESG offer has been integrated with two new Folios:

- Folio Impact Allocation, the first Fideuram management line classified under Art. 9 of the SFDR;
- Folio Next Generation Winners, an equity folio classified as sustainable and responsible under Art. 8 of the SFDR.

As regards insurance products, the presence has been boosted of external and internal funds classified under Articles 8 and 9 of the SFDR in the investment universe of the Class III and Multiclass policies of Fideuram Vita and Intesa Sanpaolo Life. Furthermore, the new Class III policy called Selezione Private Pro of Intesa Sanpaolo Life was released in December for Intesa Sanpaolo Private Banking, whose internal funds are classified under Articles 8 and 9 of the SFDR.

Lastly, for products with assets under administration, two new certificate issues have been created with Intesa Sanpaolo which have capital protection and underlying ESG indices. These are respectively the iStoxx Europe 600 ESG and the MSCI ACWI Investable Market Innovation Quality Sustainable 100 Select (QIS), a dedicated index realised by Fideuram Asset Management in collaboration with MSCI and focussed on a selection of securities of companies characterised by quality, innovation and sustainability.

During 2021, the Luxembourg Market Supervisory Authority (CSSF) approved, with effect from 1 January 2022, the request to classify 30 funds for a total amount of 16.6 billion euro under Art. 8 of Regulation (EU) 2019/2088 (SFDR).

In order to gather customers' sustainability preferences, the MiFID profiling questionnaire was already updated in July 2021 for the inclusion of specific questions on sustainability issues. At the same time, dialogues were held with the Division's product houses and the third-party Asset Managers in order to expand the offer of sustainable products within the advisory service offered by the Division's Networks.

During the 57th edition of the Oscar di Bilancio, the prestigious awards run by FERPI (Federazione Relazioni Pubbliche Italiana), Borsa Italiana and Bocconi University dedicated to the most virtuous companies in terms of reporting, Fideuram - Intesa Sanpaolo Private Banking was awarded the Prize in the "Financial Companies" category for its Integrated Report 2020.

PENSION FUND WITH DEFINED CONTRIBUTION OF THE INTESA SANPAOLO GROUP

The European Directive 2016/2341, the so-called IORP II, also in force in the Italian supplementary pension system, encourages pension funds to adopt a strategic and long-term approach for the integration of ESG factors in risk management and in their investment strategies. The sensitivity and controls of the portfolio with ESG logic are considered a fundamental element of the portfolio management policy not only with reference to regulatory obligations but with a view to proper risk management.

In 2021 the Fund published the "Communications on the commitment policy", the document on the "Investment strategy and agreements with asset managers", as well as the "Sustainability disclosure pursuant to Regulation (EU) 2019/2088", to comply with the legislation and regulations on transparency (SFDR); the Fund also updated the Information Note (which is the document to which all members have to refer) in which there is an appendix dedicated to the "Sustainability disclosure"; lastly for each sub-fund of the Fund, information was given as to whether it features sustainable investments or ESG elements.

Since the beginning of its activity in 2016, the Fund has developed its own principles of conduct to be adopted

regarding sustainability and responsibility and, to put these principles into practice, it adheres to the Principles for Responsible Investment (PRI) promoted by the United Nations to disseminate and support sustainable and responsible investment in the international financial community.

The Fund has also published the Guidelines that define the Entity's activities in the field of sustainable and responsible investment: they provide behavioural recommendations – inspired by the most common international practices – relating to chosen approaches, adopted tools and the role of the parties involved. For the implementation and regular monitoring of activities related to sustainable and responsible investments, the Fund employs a Sustainability Advisor (ESG Advisor), selected by the Board of Directors.

A particular focus has been placed by the Fund on the theme of Climate Change through support for the Climate Action 100+ initiative and activation of the new Futuro Sostenibile fund. The collective Climate Action 100+ initiative (CA100+), of which the international organisations UNPRI and IIGCC (Institutional Investor Group on Climate Change) are active participants, involves 615 investors with resources under management of about 65 thousand billion dollars. The project subjects 167 companies – with a total capitalisation of over 10 thousand billion dollars, identified as responsible for emissions of more than two thirds of greenhouse gases produced industrially – to climate change engagement: the objective is to induce these companies to adopt a strong active climate change governance, to reduce greenhouse gas emissions in line with the Paris Agreement and at the same time to increase transparency in reporting.

On the other hand, Futuro Sostenibile, the new fund dedicated to ESG issues with a focus on Climate Change, has been active since March 2020 and invests in sectors and companies that focus their business on environmental, social and governance factors. In 2021, more than 6,500 members decided to invest in this fund that reached assets of over 100 million euro.

Also in its direct investments in 2021, the Fund took sustainability issues into account, continuing to invest in renewable energy through two funds (one of which with a strong ESG focus classified pursuant to Article 9 of Regulation (EU) 2019/2088).

SUSTAINABLE INSURANCE

In line with the objectives of the Intesa Sanpaolo Group and the strategic importance that the integration of ESG factors is assuming for the financial and insurance sectors, the Insurance Division continued in 2021 its development programme on ESG issues, providing for the creation of actions and effective initiatives to foster development of internal governance and to generate a concrete and significant impact in environmental, social and transparency terms with respect to its customers.

In compliance with the Sustainable Development Goals (SDGs) and PSI (Principles for Sustainable Insurance) issued by the United Nations (signed by the insurance parent company at the end of 2019) and with the other international principles which the Intesa Sanpaolo Group also adheres to, the integration of ESG factors is arranged by the Insurance Division in the various areas of Business in which it operates.

INTERNAL GOVERNANCE AND RISK MANAGEMENT

The Insurance Group has prepared tools for the monitoring of Governance and risk management in the field of sustainability through business units, policies and dedicated project initiatives, also in line with the evolution of national and international legislation.

The activities of the organisational unit dedicated to sustainability (created in 2020) continued, with the aim of launching internal and external initiatives to promote the culture of Sustainability and supporting its implementation together with the business functions, coordinating the across-the-board initiatives of the Division and managing the interface with the Intesa Sanpaolo central structures and national and international institutions.

In 2021, the Insurance Division launched an important project to strengthen the integration of ESG factors and accelerate the path towards the net-zero goal. This provided for the involvement of the main areas of activity of the Division (Investments, Risk Management, Compliance, Legal, Life and Non-Life Products, IT, Organisation) to absorb the new legislation in both a strategic and regulatory compliance perspective, defining a roadmap of actions to be performed in the short, medium and long term. The working groups maintain constant coordination with the parent company Intesa Sanpaolo and the other divisions of Intesa Sanpaolo (in particular the Private Banking and Asset Management Divisions).

In January 2021, the Sustainability Policy, which summarises the values and commitments of the Insurance Group, was published with the aim of promoting a responsible and sustainable business model and increasingly integrating the sustainability principles into business decisions and processes. The Policy also assigns roles and responsibilities on the integration of ESG principles to the Board of Directors and the corporate structures involved.

In line with developments in the international regulatory environment, during 2021 the preparations were made towards compliance with the requirements defined by the legislation (e.g. Regulations (EU) 2019/2088 and 2020/852 that focus respectively on sustainability-related disclosures regarding financial instruments and on the

Green taxonomy). In particular, the Life insurance offer was mapped during the year to identify the products to be classified as ESG pursuant to Articles 8 and 9 of the SFDR legislation; the related pre-contractual information and relevant sections on the Companies' websites were subsequently integrated; finally, a start was made on updating periodic reports from 2022.

In 2021, the Policy on Sustainable and Socially Responsible Investments was also approved by the Board of Directors of the Insurance Parent Company (and subsequently adopted by the Boards of Directors of the Insurance Group companies) on the basis of ESG and SRI principles¹ of the Intesa Sanpaolo Vita Group, a document that aims to outline the sustainability principles and standards adopted for the responsible management of investments at the Insurance Group level. The document defines the roles of company structures and delegated managers, the investment guidelines, the elements for defining critical issuers and excluded sectors, in line with the Intesa Sanpaolo Group's strategy.

In addition and similarly in compliance with regulatory requirements, the Policy for the Management of Principal Adverse Impacts (PAI²) on Sustainability Factors was drafted and published, which presents the methods adopted by the Insurance Group for managing risk mitigation of potentially negative impacts on sustainability related to investments; the policy applies to all the companies in the Insurance Group and a summary thereof has been made available on the companies' websites.

MEMBERSHIP OF NET ZERO INSURANCE ALLIANCE (NZIA) AND NET ZERO ASSET OWNER ALLIANCE (NZAOA)

At the end of 2021, the Insurance Group signed up to the international Net Zero alliances promoted by the United Nations. In particular, membership of the two most relevant Net Zero alliances for the core business - Net Zero Insurance Alliance (NZIA) and Net Zero Asset Owner Alliance (NZAOA) - was formalised through the insurance parent company Intesa Sanpaolo Vita.

Net Zero Insurance Alliance envisages commitment to zero greenhouse gas emissions (hereinafter also "GHG") in the underwriting portfolio by 2050 through the definition of intermediate targets focused on the Non-Life business. Net Zero Asset Owner Alliance envisages commitment to zero GHG emissions in the investment portfolio of the insurance group companies by 2050, through the definition of specific intermediate targets on the investment portfolio (i.e. carbon intensity), engagement with the main counterparties to develop and promote transition programmes and incentives to finance climate transition and new green technologies.

Finally, to allow the effective implementation of the planned actions and ensure the development of the necessary expertise within the company, important training initiatives have been run, in particular those addressed to the Boards of Directors of the Insurance Division Companies that had already started in previous years, geared to increasing awareness of these issues and the impacts they generate in the insurance context. In addition, two workshops were also held in 2021 on regulatory aspects aimed at the functions impacted by sustainability regulations.

¹ With reference to the management of investments, the Insurance Group relies on various delegated managers: Eurizon Capital, Eurizon Capital Real Asset, Fideuram Asset Management, and Fideuram Asset Management Ireland.

² Principal Adverse Sustainability Impact.

INSURANCE PRODUCTS AND SUSTAINABILITY

During 2021, the Insurance Division continued to encourage the development of its product and service model for all business lines to meet customer needs with respect to sustainability issues. In line with the constant commitment of the Insurance Group with respect to Sustainability, also outlined within the defined company policies, the objective of the Division is to continue the development of its offer, also providing new products and types of cover over the coming years, as well as a review of product processes from an ESG perspective.

The offer of the Insurance Division is arranged into Life and Non-Life businesses, which include several product lines on offer. During 2021, a mapping of the current offer was carried out, identifying the products that can be classified as ESG according to Regulation (EU) 2019/2088 (SFDR).

Within the Life business, which is operated by the Division via the companies Intesa Sanpaolo Vita, Fideuram Vita and Intesa Sanpaolo Life, the product lines on offer include “Supplementary Pension” (products for savings for supplementary pension purposes), “Savings and Investment” (investment solutions for savings, to protect the family unit) and “Risk Insurance” (credit protection and economic activity, in the event of death or disability).

The ESG products classified according to Regulation (EU) 2019/2088 (SFDR) and identified as part of the “Supplementary Pension” include the “Il Mio Domani” (My Tomorrow) open-ended pension fund of Intesa Sanpaolo Vita and the “Fondo Pensione Fideuram” (Fideuram Pension Fund) of Fideuram Vita:

- “Il Mio Domani” presents, among others, three lines of investment with ESG benchmarks and a lifecycle investment profile that provides for the allocation of the most coherent starting sub-fund, based on the time horizon before reaching one’s retirement date;
- The “Fondo Pensione Fideuram”, a pension fund open to individual membership, includes in its investment policy, for all sub-funds, certain exclusion criteria for investments in certain sectors and countries with high ESG impact and, in addition, for the Fideuram Millennials sub-fund, it has established sustainable investment criteria built into the stock selection process, thus combining the thematic objective of sustainability.

With regard to the products in the “Savings and Investment” area, the ESG offer includes several solutions proposed by the Insurance Group companies, including:

- “Tu Dopo di Noi” (You After Us), a high social value Class I insurance product made for the members of a disabled person’s family who want to protect their loved one with a secure capital for the future or with a certain income in the event of the death of the signatory who takes care of the disabled person;
- “Base Sicura Tutelati” (Secure Base for the Protected), a product dedicated exclusively to protected persons such as minors and/or incapacitated persons who have capital to be used in a Class I guaranteed investment and who require the prior authorisation of a Guardianship Judge.

As part of “Risk Insurance”, Fideuram Vita promotes environmental and social characteristics by offering the Orizzonte Responsabile (Responsible Horizon) and High Conviction 100 internal funds, entirely based on sustainable and responsible investment criteria associated with the Fideuram Vita Insieme Private product. In addition, a wide selection of external funds (UCITS), classified by their respective management companies as under Articles 8 and 9 of the SFDR, is available in all products of the Fideuram Vita Insieme and multi-class family.

With regard to Intesa Sanpaolo Life, the ESG offer includes all the internal funds that make up the “Prospettiva Sostenibile” (Sustainable Perspective) product, which also has an ESG area and a Theme with sustainability connotations and objectives. All the Valore Pro Insurance funds also promote ESG features, along with the two internal funds that make up the “Doppio Centro Insurance” (Double Centre Insurance) product. Finally, the “Tattica di Prospettiva 2.0” (Prospective Tactics 2.0) area and some window funds launched within the “Selezione Private” product are also part of the ESG insurance offer of Intesa Sanpaolo Life.

Within the scope of the Non-Life business, the Division is active with the companies Intesa Sanpaolo Assicura, Intesa Sanpaolo RBM Salute and Cargeas Assicurazioni, with products covering the Home (theft, fire, etc.), Mobility (cars and motorcycles), Health (accidents, illness) and SMEs/Corporate sectors.

The Motor insurance product called “ViaggiaConMe” (TravelWithMe) is a usage-based solution which encourages policyholders to use their vehicles responsibly, reducing their premiums if they lower their mileage (monitored using a device installed in the car).

The “XME Protezione” (Protection for Me) product is a policy with a range of insurance covers in the areas of Health, Home and Family that the customer can purchase, also at different times, customising protection according to their needs. In addition to the traditional cover dedicated to the home, XME Protezione includes the possibility of protecting the home in the event of natural disasters such as earthquakes and floods, providing compensation above the market average of up to 80% of the reconstruction value.

The entry of Intesa Sanpaolo RBM Salute within the consolidation area of the Insurance Division has made it possible to include in the XME Protezione product, cover for the payment or reimbursement of medical expenses in the event of an accident or illness, which includes events such as hospitalisation or surgery, but also specialist visits,

instrumental diagnostics, physiotherapy or ophthalmology, and to develop built-in prevention programmes aimed at protecting customers' health prior to the emergence of the most common diseases. In addition, after extending the health cover of its products in 2020 to cover admissions to hospital due to COVID-19, during 2021 Intesa Sanpaolo RBM Salute supplemented its insurance coverage to include negative circumstances and events related to adverse reactions to the COVID-19 vaccine.

In the context of health protection to support companies and their corporate welfare, Intesa Sanpaolo Assicura offers the "Collettiva Infortuni" (Collective Accident) Policy that protects one or more categories of workers in the event of an accident while performing professional and extra-professional activities.

Traditionally uninsurable categories of workers such as interns, trainees and co-workers with a contract of collaboration are also covered. The range of protection in this area is completed by two insurance solutions offered by Intesa Sanpaolo RBM Salute reserved for companies and aimed at protecting workers and their families: one to cover the risks associated with serious illnesses, and the other takes the form of a health plan which reimburses medical expenses. To respond to the needs of an increasingly digital clientele and also to target young people, Intesa Sanpaolo Assicura started a partnership with the YOLO digital platform since 2020 for the sale and proposal of insurance policies via "instant" and "on-demand" procedures, such as, for example, through geo-location and expenses incurred, in highly sensitive areas such as winter sports and pet care.

INNOVATION & PROMOTION OF AN INSURANCE CULTURE

The Insurance Group continues to invest in innovation and development of digital skills and processes, also as a lever to have an increasingly effective impact in terms of sustainability.

In this context, the Intesa Sanpaolo Vita Group has set itself the objective of promoting the Culture of Insurance Protection, to encourage increasingly responsible and sustainable forms of behaviour, with the aim in particular of providing all people with information about having a conscious and reasoned approach to managing their well-being and an understanding of the value that financial and insurance planning can bring to individuals and their family units. To this end, between the end of 2020 and the first half of 2021, the Insurance Division launched a programme of analysis through interviews with opinion leaders, international benchmarks and laboratories as well as a quantitative survey of 500 young people, which enabled the Insurance Division to identify projects and initiatives to promote protection among younger customers (Millennials) - the target group with the lowest level of cover but with high potential - by engaging them in the process of defining projects. It became evident that it is crucial to have a strategy that guides confidence, awareness and recognition with respect to the insurance sector and that positively influences an increased propensity towards protection.

Within this outlined strategic framework, in August 2021, the project called "Proteggere Ad Arte" (Artful Protection) was launched through the Insurance Parent Company Intesa Sanpaolo Vita [1]. This was the first digital contest dedicated to young artists who were asked to relate the importance of insurance protection in everyday life through various art forms. The initiative was disseminated and publicised through the support of an ambassador and curators dedicated to the art forms involved. Thanks to the mix of communication channels used, at the end of the year the initiative had achieved important results: over 13,000 users and 92,000 votes; 882 collected works (videos, photos and figurative arts) and about 1,400 artists registered on the web platform; 43 million impressions (equal to the number of times the contents of the project were displayed on activated channels).

In addition, following the launch in September 2019, there was a continuation of the activities related to Area X (the first experiential space linked to the world of insurance protection, carried out in Turin) through events, live streaming engagements with leading figures from the world of sport and collaborations with other Divisions of the Group to promote, in an inclusive way, the topic of Protection.

Following the success of the first edition of the Level II Master's Degree in Insurance Innovation (run in partnership with the University of Turin, the Turin Polytechnic and Collegio Carlo Alberto), the Insurance Group is running further editions of the initiative dedicated to recent graduates and professionals in the insurance sector interested in exploring digital and innovative topics in the insurance field.

In order to encourage the spread of a culture of sustainability and to raise people's awareness of sustainable and more conscious forms of behaviour, the Insurance Division launched a series of initiatives in the environmental and social field during the year. In particular, the project "Restore Life on Earth" was launched which touches on issues with both environmental and social impact. Created in partnership with the ZeroCO₂ start-up (a benefit company specialising in environmental and social initiatives in Italy), the project involves the planting of 750 trees in Southern Italy on land at risk of desertification or confiscated from organised crime that will be entrusted to three agricultural and social cooperatives that support people and young women who are in vulnerable and difficult conditions. The project also included the launch of two webinars dedicated to sustainability issues and open to all employees.

Also in 2021, following the conversion of the urban garden housed on the roof of the Viale Stelvio premises in Milan, the first corporate orchard of the Insurance Division was created, thanks to which about 40 trees were planted at the Division offices. The initiative was also promoted within the company by engaging the employees who could "adopt" specific plants and follow their development and also received advice on how to take care of them.



Community support

Community support

RELEVANT ISSUES

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WHY THESE ISSUES ARE RELEVANT

Intesa Sanpaolo attributes a key role to projects focused on the social, cultural and civil development of the communities in which it operates: supporting those in need, the community and the local area and promoting Italy's artistic heritage are long-standing commitments and an indelible part of the Group's history and business approach. With the 2018-2021 Business Plan, Intesa Sanpaolo's aim was to be the point of reference for communities and their growth, embracing social challenges and developing partnerships, including in the cultural sphere, in order to meet emerging needs in an efficient manner. Since the beginning of the pandemic, Intesa Sanpaolo has shouldered a commitment to support the health services in addressing the COVID-19 emergency which has had such an overwhelming effect on the community and areas where the Group operates.

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Projects/Indicators	2021 Actions/Results (cumulative value since the start of 2018-2019)	2021 objectives
Community support	Monetary contribution to the community (*)	<ul style="list-style-type: none"> ▪ About 80 million euro (184 in 2020) of which about 40% in the art and culture sector and over 20% on social solidarity 	Becoming an exemplary model for society in terms of social and cultural responsibility
	Charity allowance	<ul style="list-style-type: none"> ▪ In 2021, about 14 million euro disbursed to support over 800 projects carried out by non-profit organizations 	
	"Cibo e Riparo per le persone in difficoltà" (Food and Shelter for disadvantaged people) initiative	<ul style="list-style-type: none"> ▪ Since 2018, distribution of: <ul style="list-style-type: none"> ▪ ~24.8 million meals ▪ ~1.5 million beds ▪ ~296,250 medicines ▪ ~249,200 clothes 	Combating poverty by distributing 10,000 meals a day (3.6 million a year) and providing 6,000 beds a month (72,000 a year), 3,000 medicines and 3,000 clothing items a month (36,000 medicines and 36,000 items of clothing a year)
	"Giovani e Lavoro" (Youth and Work) Programme	<ul style="list-style-type: none"> ▪ ~9,000 young people aged 18-29 sent in applications in 2021 (~24,000 since 2019) ▪ Over 1,600 students interviewed and ~750 students trained/being trained in 29 courses in 2021 (over 5,200 students interviewed and more than 2,200 students trained/being trained since 2019) ▪ Over 2,000 companies involved since the start of the Programme 	The ISP "Giovani e Lavoro" Programme, launched in 2019 in partnership with Generation, is geared towards the training and placement of 5,000 young people in the Italian employment market over a multi-year period

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Projects/Indicators	2021 Actions/Results (cumulative value since the start of 2018-2019)	2021 objectives
Community support	Generation4 Universities Project	<ul style="list-style-type: none"> Intesa Sanpaolo is the main sponsor of the Generation4Universities Project, developed by Generation and McKinsey & Company, aimed at helping students in their last year of university to embark on successful professional careers. The programme that finished in July involved 70 students from 31 universities and 18 leading Italian companies as potential employers 	
	Training in digital skills for young people	The P-Tech initiative in partnership with IBM aims to train young professionals in the field of new digital skills: mentoring activities with 20 Intesa Sanpaolo mentors for 40 young professionals	
	Cultural activities	<ul style="list-style-type: none"> Monetary contribution of over 32 million euro to art and culture Gallerie d'Italia: works continued at the Turin and Naples centres. 14 new exhibitions opened in 2021 Museo per tutti (Museum for everyone): among the initiatives dedicated to social inclusion, an educational and exhibition project in partnership with the University of Padua In 2021, 166 works of art from owned collections were put on display in 44 temporary exhibitions in national and international museums Important partnerships with public and private entities 	Promotion and sharing of the Group's artistic and cultural heritage and promotion of the culture and awareness of the country's heritage

(*) Overall monetary contribution to the community is calculated based on the B4SI methodology.

COMPANY POLICIES

The Group plays an active role in the areas in which it operates. The Code of Ethics draws attention to the needs of the community, which consists of various activities with sustainable development goals, such as the promotion of solidarity initiatives with projects set up through partnerships, donations, the sponsorship of important cultural and social initiatives, and the promotion of the historical, artistic and cultural heritage of Italy and the Group.

With the 2018-2021 Business Plan, the Group took on a commitment to increasingly become a point of reference for society, developing projects in relevant areas, such as attention to people in situations of need and hardship, with activities to combat poverty and enhance social inclusion, to promote culture, with the creation of a specialised structure for the enhancement of the artistic, cultural and historical heritage to support art and culture in Italy and abroad and to train the future generations.

The projects are promoted in order to respond to the most important needs of communities, taking into account the objectives of the major international and national, public and private institutions that contribute to the determination of social policies. The actions are in collaboration with local entities and institutions and aim to have a positive social impact. In line with the Group's core values, actions are carried out in accordance with the transparency and accountability criteria, and by implementing procedures that aim to avoid any possible conflict of interest.

MONETARY CONTRIBUTION TO THE COMMUNITY

Intesa Sanpaolo's commitment to the Community develops in the form of a series of various contributions which in 2021 reached almost 87 million euro.

In 2021, monetary contributions were classified based on their reason and broken down as follows:

- about 44% is made up of investments in the community: contributions characterised by long-term plans and/or strategic partnerships and/or of sizeable amounts. This is a significant share and has grown compared to 2020, demonstrating the strategic nature of the Group's activities, geared towards long-term partnerships that can guarantee real benefits and value for the territory.
- 46% is made up of commercial initiatives (sponsorships) that contributed to social causes while promoting Intesa Sanpaolo Group's brand and business. In 2021, it represents the most significant share of cash donations and has also grown compared to 2020.
- the remaining 10% is made up of non-recurring charitable gifts, of an occasional nature and for small amounts, including match giving initiatives (donations from the Bank during fundraising campaigns, combined with the donations from employees or customers). The downward trend is affected by the 100-million-euro donation that the Group disbursed in favour of the National Health Service in 2020 to give immediate support to the healthcare system in order to address the COVID-19 emergency, an extraordinary crisis that involved the whole society.

The main action areas in which monetary contributions were made in 2021 were support for art and culture, amounting to 32.2 million euro (29.7 million euro in 2020), social solidarity for 17 million euro (24.8 million euro in 2020), education and research for 8.3 million euro (the amount disbursed in 2020 was about 6.8 million euro), health for 5.5 million euro (about 106 million euro in 2020), and economic development for 4.9 million euro (3.1 million euro in 2020).

DONATIONS

Parent Company donations are also managed through the Allowance for charitable, social and cultural contributions¹ set out in the Articles of Association of Intesa Sanpaolo and entrusted to the Chairman of the Board of Directors, who submits biennial Guidelines for the approval of the Board which set out the strategic priorities and theme-based policies, including an annual Plan for allocating resources. The Regulations govern the management of the Fund and define the mechanisms for the selection of projects, in the principle of separation of the initiatives regarding donations from the pursuit of commercial interests. Only requests relating to projects with a clear social impact are assessed and the ability to achieve the objectives stated in the project is assessed through the analysis of the track record. Flexible use of the Fund is guaranteed with a maximum limit of three consecutive years of providing support for the same project. The extract from the Regulations and biennial Guidelines are available on the Group's website. The Group has identified charities as one of the areas of greatest risk in terms of Italian Legislative Decree no. 231/2001. The Fund Regulations and the Group's Anti-Corruption Guidelines have laid down precise precautionary rules, which have been incorporated in the Fund's Process Guidelines and in the digital donation request procedure.

¹ For more information, see the Articles of Association^[1].

THE CHARITY ALLOWANCE IN 2021

In 2021, the Charity Allowance of Intesa Sanpaolo disbursed over 14 million euro in support of about 800 projects carried out by non-profit organisations. Almost 90% of the funds were disbursed in Italy. Overall, at a central level, about 470,000 direct beneficiaries were reached (net of research projects). The target of allocating a large share of resources (>70%) to projects benefiting more vulnerable sections of the population was exceeded by a considerable amount, amounting to 99%.

In the 2021-2022 Guidelines, the privileged Area of intervention continues to be the Social Area and the majority of available funds (84% of the sums disbursed in 2021) was destined to it, whereas more modest disbursements are scheduled for Research and projects run by Religious Entities. Three additional focuses have been identified, strictly connected to issues arising out of or exacerbated by the health crisis:

- psychological support for COVID patients and those more significantly struck by the pandemic;
- training and job placement initiatives for vulnerable individuals, with particular attention to the new classes of poverty;
- support for adolescents and young people in vulnerable situations per i quali sono stati erogati complessivamente oltre 3,8 milioni di euro (27% dell'erogato).

As part of the first focus, the Fund guaranteed free psychological support by telephone and supported counselling centres for COVID patients, healthcare personnel, relatives of patients who have died from COVID, people with pre-existing frailties, people affected by COVID Fatigue, children and young people who have suffered the effects of the lockdown. There were a number of actions to facilitate cases being taken up by local services. During 2021, a webinar was organised with prominent experts from the healthcare sector and testimonies from Third Sector Bodies to shed light on this issue that has had a significant impact and is still underestimated.

The work support projects involved young people with disabilities and/or disabling diseases, unemployed young people and women, women victims of violence, people with certified disadvantage, migrant women, refugees, prisoners and HIV/AIDS patients. The actions were aimed at: enhancing skills, developing soft skills, empowerment; careers guidance, training, professional job placements and redevelopment; support for the start-up of sole proprietorships; advice on housing and legal matters; activities to raise awareness in companies and the community.

Lastly, with regard to vulnerable young people, assistance was given to psychological support programmes and tutoring for vulnerable and disadvantaged students; listening spaces, school-work projects and on-the-job training for NEETs; day centres for young people with cognitive disabilities; programmes helping young care leavers to gain independence; listening and counselling services for adolescents in crisis and their families. A total of over 66,000 young boys and girls between the ages of 11 and 18 were given support, at a central level, with the involvement of their families and the educating community.

The Fund supported projects covering other social issues, such as: educational poverty, domestic violence, healthcare poverty and the fight against disease, disability, inclusive amateur sport and cultural projects that include particular social implications.

Also during 2021, the Chairmanship made a part of the Fund's resources available to contribute towards achieving the objectives of the 2018-2021 Business Plan. Overall, 2.4 million euros were disbursed for the distribution of over 1.2 million meals in a year, that is, around 3,400 meals a day.

The Fund continued the empowerment of Third Sector entities, with a questionnaire to assess the main needs of organisations and a webinar on how to develop effective communication with the outside world, in collaboration with the Chief Institutional Affairs and External Communication Officer Area.

Collaboration with the International Subsidiary Banks Division continued with 13 projects costing about 900,000 euro (over half of the international donations) in countries within the consolidation area of the Division.

The Fund has also continued the fight against poverty in the world with initiatives in countries with a low or medium Human Development Index. In particular, medical support was guaranteed in hospitals in Mumbai following the worsening of the COVID-19 emergency and psychosocial support and access to education offered to the most vulnerable refugees evacuated from Libya to Niger.

INVESTMENTS AND PARTNERSHIPS WITH A SOCIAL IMPACT IN THE COMMUNITY

Intesa Sanpaolo has always been sensitive to issues of inclusivity and in its 2018-2021 Business Plan it envisaged precise social objectives with an operating model based on three elements: planning, modelling and social competence centre. Leveraging on consolidated relationships and activating new networks, the Bank gave life to well-structured forms of partnership to create solidarity ecosystems: structured initiatives that feature widespread actions, a wide range of recipients, multi-year planning and an ability to respond to needs. The set impact objectives have proved to be increasingly interconnected with the real economy and social change, with operations engaged

within three areas: Combating Poverty (Programme aimed at offering Meals, Beds, Medicines and Clothing), Cohesion and Social Inclusion and Projects aimed at children. Things were planned in this way not only to offer an answer to the need but to carefully build opportunities with an across-the-board design anchored to the Sustainability Goals from an ESG perspective. Activities were developed with reference to the key objective of the 2030 Agenda: leaving no one behind and ensuring greater well-being for all. But they also wanted to contribute to the realisation of the NRRP objectives, in particular in Missions 2 Ecological Transition, 5 Cohesion and Inclusion and 6 Health.

COMBATING POVERTY

The pandemic has had an overwhelming effect on the economic conditions of families, exacerbating pre-existing forms of poverty. As one can see from a 2021 Caritas Report, the number of people suffering chronic poverty that have been supported by the Caritas circuit for 5 years or more is also growing, together with the new poor. Slightly more than 2 million families and over 5.6 million individuals are in a condition of absolute poverty. In this scenario, the constant commitment of the Group in combating poverty has become more pressing, directing its activities in response to the demands of a society squeezed between two forces: the need for development and growth on the one hand and the increase in economic, social and educational poverty on the other.

“CIBO E RIPARO PER LE PERSONE IN DIFFICOLTÀ” (FOOD AND SHELTER FOR DISADVANTAGED PEOPLE) PROJECT

The main objectives in the area of Combating Poverty achieved by Intesa Sanpaolo in 2021 include those relating to the “Food and Shelter for Disadvantaged People” Project:

- Meals: distribution of 10,000 meals a day, with the help of and in order to help partners, so as not to leave anyone behind. The achievement of this objective was made possible thanks to the projects triggered through important partnerships, primarily the one with the Fondazione Banco Alimentare. This partnership led to the definition of three important initiatives: the four-year Partnership (2018-2021) for the bolstering of the food collection, storage and distribution network, “Siticibo” for the recovery of portions of food from surplus food prepared by restaurants and supermarkets and “Ri-pescato: dal mercato illegale al mercato solidale” (Re-fished: from the illegal market to the solidarity market) for the recovery of confiscated fish, coming from illegal fishing. Significant partnerships have allowed the Bank to provide an annual free supply of meals to people in non-profit and/or hospital facilities: Fondazione San Patrignano, City Angels Milan for homeless people, Dynamo Camp for sick children, Vidas for sick kids and their family members at the Casa Sollievo Bimbi hospice, the Bambino Gesù Children’s Hospital for young hospital patients and Caritas in Genoa for the project “Aiutare chi Aiuta” (Helping the Helpers). In partnership with the Fondazione Campagna Amica, 100 food parcels were distributed to needy families around Easter time. The partnerships indicated resulted in the distribution of approximately 24.8 million meals over the four-year period 2018-2021.
- Hospitality: rewriting the map of hospitality together with the non-profit organisations that have been dealing with this matter for some time, with the aim of offering 6,000 beds per month. The main contribution came from collaborative measures that guaranteed free annual coverage of beds for guests in some important hospitality institutions such as Dynamo Camp, Casa Sollievo Bimbi of Vidas and the Fondazione San Patrignano, guaranteeing around 499,000 beds in 2021 and around 1.5 million beds over the four-year period of the Business Plan (2018-2021).
- Medicines: reaffirming everyone’s right to healthcare, also and above all for those who are forced to do without; conducted together with national partners, with the distribution of 3,000 medicines per month. The partnership with the Fondazione Banco Farmaceutico was crucial and involved three measures: the four-year agreement (2018-2021) called “Recupero Farmaci Validi” (Recovery of Valid Medicines) for the opening of new centres for the collection and distribution of medicines, the project called “Un aiuto agli enti assistenziali” (Help for aid entities) for the supply of Personal Protective Equipment (PPE), and “BFOnline” for the implementation of the Foundation’s management platform for matching supply with demand of medicines. The partnership resulted in approximately 68,000 medicines being recovered in 2021 and approximately 296,250 medicines in the four-year period of the Business Plan (2018-2021).
- Clothes: bringing equilibrium back to a society that produces more than it consumes, maintaining a dialogue with manufacturing companies so as to distribute 3,000 garments per month. The project that allowed full achievement of the objective was Golden Links, a partnership developed with Caritas Italiana. Thanks to the initiative, women in vulnerable conditions had the opportunity to be involved in the packaging of certain consumer goods supplied by important client companies (Calzedonia Group, Camomilla Italia, Geox S.p.A., BasicNet S.p.A. Group, Mondadori Education S.p.A., OVS S.p.A. and Solvay Chimica Italia S.p.A.) for families in a condition of social exclusion. The project enabled the recovery of over 71,000 items of clothing in 2021 and ~249,200 items of clothing in the four-year period of the Business Plan (2018-2021).

SOCIAL COHESION AND INCLUSION

On the issues of Social Cohesion and Inclusion, the project activities were conducted with the aim of rebalancing inequalities through the promotion of inclusion. The activity is based on a structural system of relationships for the joint planning of national or regional actions, in favour of those in a position of disadvantage, struggling to reach that minimum threshold of well-being and dignity that should be the right of everyone.

Here are some of the most significant projects completed in 2021:

- The multi-year programme “Aiutare chi Aiuta: un Sostegno Alle Nuove Fragilità” (Helping the Helpers: Support in Favour of New Vulnerabilities), aimed at supporting the Italian Dioceses through calls for tenders managed by Caritas Italiana and the Bank. The 2021/2022 call is aimed at helping elderly people with a home care model and the activation of toll-free numbers, delivery services for basic necessities (food and medicines) and co-housing solutions.
- The three-year Partnership 2021-2023 signed with FOM (Fondazione Oratori Milanesi) for the “Oratori di periferia” (Suburban Parish Recreation Centres) project, a social regeneration initiative in the Diocese of Milan aimed at refocusing on communities via actions in 30 parishes in the Milanese hinterland and at rebuilding the social fabric in the city outskirts.
- Support to the CEI (Episcopal Conference of Italy) for activities aimed at monitoring poverty and for the inclusion of people in conditions of exclusion.
- Partnership with the Fondazione San Patrignano, to support the Foundation in its activities of hospitality and promoting the “WeFree” prevention campaign.

PROJECTS AIMED AT CHILDREN

As for the Projects aimed at children, during 2021 the following had a particular impact:

- The “Programma Educativo Intesa Sanpaolo per Bambini Lungodegenti” (Intesa Sanpaolo’s Educational Programme for children who are long-term patients) in oncology wards, through the free provision of a crèche service, in the 0-3 year age group. The Programme, in partnership with local cooperatives that form part of the PAN Consortium, is active in cutting-edge hospitals in Padua, Bologna, Turin, Naples, Monza, Genoa and Bari. In hospitals, 100% of the children of pre-school age have been included in the long-term patient programme with positive results: scientific research conducted by AIEOP (the Italian Association of Paediatric Haematology and Oncology) has noted considerable psychological and behavioural improvements in the 420 children involved.
- The Partnership with the Bambino Gesù Children’s Hospital for two new medical centres dedicated to eating disorders and autism in children and collaboration with the Comitato Maria Luisa Verga for the research project on Sport Therapy and Psychological Wellbeing for the development of protocols on the positive effects of physical activity for long-term child patients in the paediatric oncohaematology wards of the San Gerardo Hospital in Monza.
- The We-Connected Project, promoted with the aim of providing IT support to young patients of the Giannina Gaslini Institute in Genoa and their families. Intesa Sanpaolo and Intesa Sanpaolo Vita have equipped the 27 homes managed in Genoa by the Foundation with 140 computers and internet connections.
- The Webecome Educational Programme, aimed at primary school children to promote their inclusion and to develop positive forms of behaviour, which responds to the need to address critical issues emerging in the area of childhood anxiety. Webecome addresses issues of digital civics, bullying and cyberbullying, diversity, addictions, but also food and nutrition, innovation and development of individual potential. In 2021, a new topic programme was added called “S come Sguardi” (S like Stare) - as part of the collection called “Alfabeto per Crescere” (Alphabet for Growing) - which introduces children to sustainability as a responsibility with respect to the social and ecological environment in which each one operates. More than 2,000 schools were involved. The Project, which was also an important support in distance learning during the pandemic, reached over 13,000 active users on the platform and over 213,000 page views of the project website.
- The “QUBÌ – QUANTO BASTA” (“As much as you need”) Programme, a measure to combat child poverty inherited from UBI Banca, was created with the Cariplo, Vismara, Fiera Milano and Snam Foundations to combat child poverty. Among the first important results was the creation of an integrated archive of administrative data on poverty in Milan and 2 hubs for the recovery and redistribution of food, the opening of 3 Caritas “Empori della Solidarietà” (Solidarity Emporia) and 6 “Botteghe della Solidarietà” (Solidarity Shops), support for the Emporio Popolare of Molise Calvairate to double the number of families served, the creation of 23 Third Sector networks in 25 priority districts of the city to make the most of people’s abilities and promote the activation of communities. Neighbourhood projects have been launched which in the two-year period 2021-2022 will involve a total of more than 400 entities and will support over 39,400 people, of which about 21,500 are children.

TRAINING AND WORK PROJECTS FOR THE NEXT GENERATIONS

With a view to paying close attention to the world of young people, their training and their integration into the world of work, Intesa Sanpaolo has developed a number of projects.

The Z Lab Programme for transversal skills and for career guidance is a constructive example of collaboration between the world of education and banks that has involved more than 2,800 students in 89 schools in 22 Italian cities, in about 150 programmes. In the context of Impact initiatives, Z Lab is the 3-year project that Intesa Sanpaolo has created to develop transversal skills and help provide final-year secondary school students with career guidance. As a host company, Intesa Sanpaolo provides students with digital environments for interactive dynamics, experiential laboratories, project work and digital culture. Students work, assisted by an in-house team of tutors who oversee the workshop activities full time.

The “Futurità” (Futurity) Project is also significant, dedicated to pupils in the third and fourth years of secondary school, aimed at facilitating the development of a sustainability culture to support the teaching of civic education, with the value of the former school-work project. The 1st edition of Futurità, held in the 2020/21 school year, involved 73 classes and over 1,500 students.

Intesa Sanpaolo also considers as fundamental relations with all universities, and partnerships with the main Italian ones by providing support for study and research. The partnerships allow a transfer of knowledge and skills from universities to the Group while putting Intesa Sanpaolo’s know-how at the service of the academic community. In addition, this support for research contributes to the creation of new models of technology transfer and connection with the world of enterprise to generate value. Intesa Sanpaolo collaborates with over 60 Italian and international universities (in particular Oxford and Cambridge). In 2021, over 40 Agreements were signed and various partnerships all over Italy continued (Intesa Sanpaolo is a member of 2 of the 8 National Competence Centres - Smact and Bi-Rex - which involve 13 Universities and 2 National Research Institutes, and collaborates in various ways with the other 6 Competence Centres); more than 150 scholarships and research grants were also awarded to young students and researchers.

“Giovani e Lavoro” (Youth and Work), a programme created in 2019 by the partnership between Intesa Sanpaolo and Generation Italy, a non-profit foundation set up by McKinsey & Company, aims to offer free training courses to 5,000 unemployed young people, aged between 18 and 29, to facilitate their access to the working world, while at the same time offering companies qualified personnel with the objective of getting at least 75-80% of them hired. The proposed training programmes focus on short experience-based training courses (3-14 weeks) within specific professional sectors identified as those most in need within the Italian labour market. The programmes on offer include: sales assistant in the Retail sector; staff for the Hospitality, Food & Beverage sector; operator of computerised numerical control (CNC) machines; Java developer; Salesforce developer (activated in 2021). The project was also successful this year in line with previous years. Around 9,000 young people (aged 18-29) submitted their applications in 2021 (about 24,000 since 2019). Over 1,600 students were interviewed and during 2021 around 750 students were trained/in training in 29 courses (more than 5,200 students interviewed and more than 2,200 students trained/in training since 2019). More than 2,000 companies have been involved since the beginning of the Programme.

Another important project is the Generation4Universities project, developed by Generation Italy and McKinsey & Company and aimed at helping talented students in their last year of university to embark on successful professional careers. The programme that finished in July involved 70 students from 31 universities and 18 important Italian companies as potential employers. At the end of the course, the candidates had the opportunity of at least one interview with highly qualified companies that are partners in the programme (Intesa Sanpaolo also reserved 7 internship positions). The results of the first pilot project as at 31 December showed over 650 applications, 70 students entered in classroom activities (35 female and 35 male students) from 31 universities, 18 top employer partnering the project and 51 internships under way.

In terms of collaboration with Italian universities, “P Tech” is the initiative of the Fondazione IBM, in which the Intesa Sanpaolo Group collaborates in the fight against pupils dropping out of school. This year, in addition to the Province of Taranto, the project is also active in the Province of Rieti with a programme specialising on the third year of upper secondary school with a view to accompanying the pupils over 6 years in a highly specialised training course featuring seminars and thematic workshops and afternoon in-depth development lessons that will provide specialised preparation as required in the new world of work. In 2021, Intesa Sanpaolo was also directly involved by delivering 3 webinars, 1 online three-day finance workshop and several mentoring meetings.

PROMOTION OF CULTURE FOR SOCIAL COHESION

“Progetto Cultura” (Culture Project) is the multi-year programme of initiatives - conceived and implemented by the Art, Culture and Historical Heritage Department - through which Intesa Sanpaolo expresses its commitment to the promotion of art, culture and knowledge, contributing responsibly and directly to cultural and social growth in Italy.

During 2021, there was no interruption to the Bank’s presence in the country’s cultural production, in an effort to implement the projects envisaged by the plan in compliance with the restrictions imposed by the pandemic. A large number of events took place:

- The Gallerie d’Italia, spaces open to the communities in the centre of Milan, Naples and Vicenza (and soon also in Turin). The health situation allowed the Gallerie to re-open to the public only from the end of April, in full compliance with the prevention measures. Nevertheless, visitors totalled about 145,000, with free admission for those up to 18 years of age. Alongside the permanent programmes dedicated to the museums’ own art collections, they also host temporary exhibitions. In the early months of 2021 the exhibitions opened in the autumn of 2020 and closed due to the pandemic (including “Tiepolo” in Milan, “Napoli Liberty” in Naples and “Futuro” in Vicenza) were extended. During the year, 14 new exhibitions were opened. Particularly noteworthy: in Milan the great “Grand Tour” exhibition in partnership with the National Archaeological Museum of Naples and the Hermitage of St. Petersburg and “Painting is back” on Italian painting in the Eighties; in Naples, the exhibition on contemporary art from Los Angeles; in Vicenza, the inauguration of the new museum display of Russian icons (in collaboration with Ca’ Foscari University of Venice-Centre for Studies on the Arts of Russia) which includes the temporary Valery Koshlyakov exhibition. The Turin Skyscraper was also an exhibition venue, hosting two paintings by Cima da Conegliano, “illustrious guests” from the National Art Gallery in Bologna and the Petit Palais in Paris. A central element in the programming of Gallerie d’Italia is the relationship with the world of schools and the theme of accessibility, through inclusive, educational activities offered free of charge and managed by the “Civita Mostre e Musei” institution. Since autumn around 4,500 children and teenagers have begun to attend the educational courses again. While the museums were closed, workshops and lessons were held online in the Careers in (Sm)Art programme aimed to get secondary school pupils interested in professions in the Arts (255 students, 300 hours of activity). Towards the end of the year there was a resumption of activities for people with disabilities and in conditions of social disadvantage, involving about 1,000 people. In this context, the “Argilla” (Clay) educational and exhibition project was of particular importance; it was arranged in the Gallerie d’Italia in Vicenza, equipped with audio and tactile media and sign-language videos so as to be widely inclusive.
- The New Gallerie d’Italia in Piazza San Carlo in Turin and Via Toledo in Naples: during the year the two building sites progressed considerably for the construction of the new museums in Turin and Naples. Both locations will enrich the great Gallerie d’Italia project from spring 2022, allowing the Group to share an ever increasing percentage of its art collections and creating innovative places for research, cultural development and opportunities for social integration.
- Study, conservation and enhancement of Intesa Sanpaolo’s Artistic Heritage, which has about 35,000 works ranging from archaeological exhibits to contemporary art. In addition to the Gallerie d’Italia venues, the collections are shared through loans for temporary exhibitions in Italy and abroad: in 2021, 166 works were displayed in 44 exhibitions. In addition, 172 owned assets were restored in 2021. There was a continuation of the Diogene Project, an assessment programme, which involves verification of the location and state of conservation of the works-of-art in the Bank’s various premises, including the Gallerie d’Italia, or kept in the bank vaults and storerooms.
- The activity of the Historical Archive, one of the most important banking archives in Europe, with historical and documentary materials of the merged banks. In 2021, work continued on restoration, digitisation (450,000 pages), preparation of inventories, online publication of the inventories and networking of digitised documents (also using a web-based sharing tool called Linked Open Data). With reference to the Publifoto Archive (a significant collection of about 7 million images on the history of the twentieth century, which will be permanently housed in the new Gallerie d’Italia in Turin), 13,300 photographs were restored, 6,850 were digitally scanned and 14,000 were catalogued during 2021. On the promotional front, the Historical Archive took part in sector initiatives, conferences and exhibitions. As regards the Artistic Heritage and Historical Archive, it is worth remembering that in 2021 extensive and demanding work was performed in integrating the art collections and historical archives belonging to UBI Banca.
- Digital initiatives on the social channels and websites of Gallerie d’Italia and those of the Group. The activities enjoyed interesting feedback in terms of views and interaction (data provided by the Communications and Corporate Image Department). Particular attention during the months of lockdown was given to the effective fruition online of the “Tiepolo” exhibition (52.6 million views and 1 million interactions on the Group’s social channels). In addition, the public appreciated digital initiatives dedicated to other exhibitions at the time and the Group’s collections, and also to the construction sites of the new Gallerie d’Italia in Turin and Naples and the “Settimana dell’Inclusione” (Inclusion Week).

- Partnerships with museums and institutions in Italy for the sharing of art, photography, music and literature initiatives. It is worth remembering, among the others, the ones involving two important contemporary art fairs, “Artissima” in Turin and “Miart” in Milan; support for the International Photography Festival “Cortona On The Move”, Fondazione CAMERA - Italian Centre for Photography in Turin, International Book Fair in Turin, “Archivissima” and the “Notte degli Archivi” in Turin, the exhibitions in Palazzo Marino of the Municipality of Milan and the Basilica Palladiana in the Municipality of Vicenza; partnership with the largest Italian museums, including Castello di Rivoli, Fondazione Torino Musei, Pinacoteca di Brera in Milan, Gallerie dell’Accademia in Venice, Musei di San Domenico in Forlì, Palazzo Strozzi in Florence, Museo di Capodimonte in Naples. There has also been meticulous work carried out with the banking foundations. In line with the Group’s global projection, the “Progetto Cultura” (Culture Project) develops dialogues with prestigious international museums, such as the National Gallery in London and the Hermitage in St. Petersburg.
- The “Restituzioni” (Restitutions) programme of restoration, the most important in the world and exemplary form of synergy between public and private, has been managed by the Bank since 1989 in partnership with the ministerial bodies responsible for the protection of artistic assets. To date, 2,000 works have been restored. The 19th edition of the programme, launched in 2019, saw the completion of the restoration workshops in 2021, involving 223 artefacts from all Regions of Italy.
- Specialist training initiatives dedicated to young people, also in consideration of the occupational and economic value of professions linked to the world of art and culture. Within the scope of the Gallerie d’Italia Academy, the 2nd edition was held of the Executive Course in “Management of artistic and cultural heritage and corporate collections”. Among the initiatives of the “Officina delle Idee” (Ideas Workshop), the Euploos Project in collaboration with the Uffizi Galleries in Florence: the three-year support programme was renewed for the creation of a digital catalogue of the 70,000 drawings kept in the Gabinetto dei Disegni e delle Stampe. It should also be remembered that about 100 young art historians work permanently in the Gallerie d’Italia in the partnership with “Civita Mostre e Musei” institution.
- The publication, by Edizioni Gallerie d’Italia – Skira, of the catalogues of temporary exhibitions, volumes related to the Archive and collections, as well as children’s books. It is also worth noting the 18th edition (Salome by Richard Strauss) from the Vox Imago series dedicated to more in-depth study on opera and enriched with digital delivery contents that can be used on the site or via app.

INSTITUTIONAL INITIATIVES IN SUPPORT OF THE COMMUNITY

The promotion of art and culture is a commitment that has always distinguished the work of Intesa Sanpaolo, in the belief that a major bank must be able to meet the expectations of progress in its own country, not just from an economic point of view but also civil, cultural and spiritual, while respecting local identities. Intesa Sanpaolo strives to respect the Group’s (ethical, cultural and social) values also in its partnership and sponsorship initiatives, paying particular attention to the selection of projects capable of conveying messages in line with the image and reputation of the Bank and Group.

Relations between Intesa Sanpaolo and local communities are developed through activities supporting culture and knowledge; research and innovation to foster new economic and social development opportunities, with solidarity programmes and initiatives to promote sport; and sustainability as a value that qualifies businesses and enhances customer loyalty. Community support initiatives were still significantly impacted in 2021 by the health emergency, and saw large deployment of skills, resources and actions to support families and businesses.

The main areas of intervention concerned culture, environment and sustainability, social inclusion, sport and health promotion.

As part of the cultural promotion activities, numerous important activities were performed in 2021:

- The promotion of music, theatre, dance, cinema, art, publishing and reading with a particular focus on young people. To ensure that an increasingly wider public is able to enjoy and appreciate Italy’s artistic and cultural heritage, the Bank collaborates with leading bodies and institutions, in particular with the aim of getting the new generations interested in opera, music, art and culture.
- Partnerships with important Italian theatres: Teatro alla Scala, Turin’s Teatro Regio, Teatro del Maggio Musicale Fiorentino, Teatro La Fenice in Venice, Teatro di San Carlo in Naples, Teatro Comunale in Vicenza, Teatro Comunale in Bologna, Piccolo Teatro, Teatro Franco Parenti, Teatro Piemonte Europa, Teatro Grande in Brescia, Teatro Donizetti in Bergamo, Teatro Fraschini in Pavia and the Training academy for opera singers at the Teatro Carlo Felice in Genoa.
- The “La Scala UNDER30” project, in collaboration with Teatro alla Scala with the aim of getting younger generations interested in opera and classical ballet.
- The sponsorship of a number of exhibitions: “Luci e Ombre a Sutri - da Mattia Preti a Fortunato Depero” at the Palazzo Doebbing Museum in Sutri, “La Maddalena. Caravaggio e Canova”, at the Gypsotheca and Museo Canova in Possagno, “Oltre il Ghetto. Dentro&Fuori” at the Museo Nazionale dell’Ebraismo Italiano e della Shoah – MEIS in Ferrara and “Turandot e l’Oriente fantastico di Puccini, Chini e Caramba” at the Museo del Tessuto in Prato.

- Partnerships with the main music, dance and show festivals: MITO SettembreMusica International Music Festival, Piano City Milano, Festival dei Due Mondi in Spoleto, Rossini Opera Festival, TorinoDanza, Torino Jazz Festival, Festival Pianistico Internazionale in Brescia and Bergamo, Trame Sonore Umbria Jazz and the winter festival organised by the Fondazione Umbria Jazz and JazzMi. Another similar event where support was provided was “Torino a Cielo Aperto” (Open Air Turin), a festival of cultural and recreational events, with the main objective of inviting its community to regain possession of its public spaces and parks after the lockdown due to the health emergency.
- The collaboration with the artist Roberto Bolle for the realisation of “On Dance”, as a re-proposal of the event as a sign of hope and a desire to start again with an artist who is particularly sensitive towards difficult social situations. Thanks to this partnership, an important project was also created with the Veneranda Fabbrica del Duomo, with the “For Funding” collection launched at the show called “L’opera Meravigliosa - Roberto Bolle per il Duomo” held in the courtyard of the Castello Sforzesco and with the attractive video at the Museo del Duomo and on the terrace of the Cathedral, broadcast on TV and web channels to raise awareness of the initiative among the general public.
- Support for the performance of “The EXQUISITE HOUR”, taken from the text by Samuel Beckett called “Happy Days”, staged exclusively by the Étoile Alessandra Ferri to celebrate 40 years of career, with the Maurice Béjart Foundation of Lausanne. The show - produced in Italy as a theatrical performance in 1981 by the Piccolo Teatro, directed by G. Strehler and interpreted by Giulia Lazzarini - was created in 1998 for Carla Fracci by the choreographer Maurice Béjart.
- Contribution to the Festivaletteratura of Mantua, favouring a co-production between Festivaletteratura and the Teatro La Fenice for the realisation of the show “Come capire le trame delle opere liriche” (How to understand the plots of operas).
- Support for important cultural exhibitions such as BookCity, the Turin International Book Fair, again with people actually attending physically, La Milaneseiana, the Benedetto Croce Literary Prize, the Gambrinus Prize and the Campiello Prize. Furthermore, the Women’s Fiction Festival was given support for the first time. The multi-year partnership between Intesa Sanpaolo and LIMES with important meetings on geopolitics should also be remembered.
- Contribution to “Biennale Democrazia” (Democracy Biennale), an event founded in Turin in 2009, under the guidance of Gustavo Zagrebelsky and with the founding support of Intesa Sanpaolo. The seventh edition of the event took place in Turin with the title and main theme “One planet, Many Worlds”. The Bank actively participated in the initiative by hosting three debates at the Auditorium of the Intesa Sanpaolo Skyscraper.
- Partnership with the Osservatorio Permanente Giovani-Editori (Young Publishers’ Forum) with the Young Factor project, an initiative in synergy with other financial education initiatives developed by the Group.
- Collaboration with the Centro d’Arte Contemporanea Luigi Pecci in Prato.
- Support for the “Alleanza per la Cultura” (Cultural Alliance) project of the Fondazione Brescia Musei.
- Collaboration with the 19th Edition of BergamoScienza, a festival for popularising science.
- Support for the 14th edition of “Molte Fedi sotto lo stesso cielo” (Many Faiths Under the Same Sky), a cultural festival on the themes of intercultural and interreligious dialogue and sharing of views, in Bergamo, and for the 2021 edition of the Festival Ri-Costituente, a workshop that was held in Morbegno (SO), in which young people from all over Italy reflected on the Italian Constitution.

DANTE ALIGHIERI - EVENTS DEDICATED TO THE SEVENTH CENTENARY SINCE THE DEATH OF THE GREAT POET

The Bank joined as Main Sponsor a project involving the full reading of the Divine Comedy at the Milan Cathedral, “Dante in Duomo, 100 canti in 100 giorni” (Dante in the Cathedral: 100 cantos in 100 days), promoted in partnership with the Veneranda Fabbrica del Duomo, which celebrates the only other Lectura Dantis in 1418. Intesa Sanpaolo also supported the innovative exhibition project “Dante. Il Poeta eterno” (Dante. The Eternal Poet) by artist Felice Limosani, in the renovated Cappella dei Pazzi in the Complesso Monumentale di Santa Croce.

With reference to the events organised by the Accademia Nazionale dei Lincei and supported by the Bank to celebrate the three centenarians representing Italian genius - Leonardo, Dante and Raphael - the first of the three exhibitions dedicated to Dante was inaugurated in 2021 and called “La Biblioteca di Dante” (Dante’s Library), an exhibition of the works explicitly quoted and presumably read by Dante.

Within the scope of interest shown towards environmental sustainability, some important initiatives are highlighted:

- Partnership with FAI (the Italian Environment Fund) with the “I Luoghi del Cuore” (Places of the Heart) project, gathering observation reports from the public about places of historic and artistic interest and landscapes worthy of restoration work. The 10th edition, launched in May last year at the height of the pandemic, achieved the best result ever with 2.4 million votes collected, confirming the social value of this event. So the projects financed and supported since 2003 to date have reached 139.
- Partnership with the Festival dell’Economia in Trento dedicated to the theme of “Il ritorno dello Stato” (Return

of the State). Lastly, the partnership with Vittorio Brumotti has continued, involving the promotion of sustainable mobility (Urban Award, Via Francigena, Wine Tour).

- Support for the One Ocean Foundation whose purpose is the safeguarding of the oceans.
- Sponsorship of the High Summit Cop26, an international conference dedicated to mountains, climate change and sustainable development, organised as part of the All4Climate events of PreCop26, which was held at the Fondazione Minoprio (CO) on 24 and 25 September.
- The “Polo Olivettiano” (Olivetti Hub) Project for the production of bioplastics from food waste, to create a production hub in the abandoned industrial estate in the Municipality of Roccavaldina, an area inside the Metropolitan City of Messina, where the principles of the circular economy with an Olivetti approach may be promoted. The project involves the redevelopment of a disused industrial area with a new intended use for the development of social-green economy and creative enterprises; training and jobs in the factory for women and young people involved from the area; the disposal of brewers’ spent grain from the Messina brewery and other residues from agricultural production to activate the circularity of the agri-food supply chains, with eco-sustainable processes; the generation of ecological and biodegradable material for finished products (by way of example: games, packaging, design objects and food service design) for a reconversion of the entire plastic production chain.
- The “Comunità Energetica San Gennaro” (San Gennaro Energy Community) Project in the Rione Sanità district of Naples, which was conceived as a collaboration for a photovoltaic electricity production plant (installed power 20 KW), to reduce the costs of facilities supported by the Fondazione San Gennaro and cover its electricity costs.

As regards the area of social inclusion, Intesa Sanpaolo supports research as a means to promote new economic and social development opportunities, involving partnerships with leading foundations and institutions and also training opportunities for young people and the promotion of the inclusion of women in the workplace.

The main initiatives include:

- The #Tuttomeritomio Project, promoted by Fondazione CR Firenze and Intesa Sanpaolo with the University of Florence, the Regional Education Department and the Fondazione Golinelli with the aim of promoting the merit of students belonging to socially and economically disadvantaged families (400 students in 6 years).
- The “Giornata della Memoria” (Holocaust Remembrance Day) Concert, an annual event organised by the Giuseppe Verdi Conservatory of Milan in collaboration with the Associazione Figli della Shoah, the Jewish Community, the Fondazione Memoriale della Shoah and the Fondazione CDEC, on the occasion of the celebrations of the Holocaust Remembrance Day, with the participation of the Lieder Choir who performed the Chichester Psalms by L. Bernstein and the students of the Conservatory acting as the orchestra, soloists and conductor.
- Support for the Fondazione Campagna Amica (Coldiretti) for the distribution of food parcels to vulnerable people during the Christmas period 2021.
- The 22nd edition of the Charity Auction in favour of San Patrignano, to tackle the phenomenon of drug addiction, especially during the current pandemic crisis.
- Collaboration with the Belize Embassy to the Holy See for a charity event in favour of peace and brotherhood inspired by the “All Brothers” encyclical letter of Pope Francis, which took place in Turin at the Mole Antonelliana with a dinner (created by chef Umberto Ferrondi) in honour of the needy and marginalised, with about 80 guests identified by the Caritas of the diocese.
- Collaboration for the “Vicini Sempre, Distanti Mai” (Always Near, Never Far) charity evening in support of the Cucina di Beteavòn, a solidarity organisation in the Milan area.
- Support for the travelling exhibition of the Art Collection from the “Progetto Genesi. Arte e diritti umani” (Genesis Project. Art and Human Rights), which will also continue in 2022, in four Italian cities chosen for their historical and artistic importance and in collaboration with the FAI (the Italian Environment Fund): Varese, Assisi, Matera and Agrigento, for a more responsible and socially active citizenship. The main themes were multiculturalism, integration, gender equality, the fight against racism, social equity and environmental protection (with the patronage of MiC - Italian Ministry of Culture, the Italian National Commission for UNESCO, Rai Per il Sociale, Università Cattolica del Sacro Cuore and FAI).
- Support for CESVI’s child protection projects in Italy and around the world. This is why it was a sponsor of the gala evening organised to raise funds for the “Case del Sorriso” (Smiling Homes), the child protection facilities created by CESVI in Zimbabwe, South Africa, Haiti, Brazil, Peru and India.
- Collaboration with the “Stati Generali CGM”, the first face-to-face post-pandemic event organised by the CGM Group - Consorzio Nazionale della Cooperazione Sociale Gino Mattarelli, a network of Italian social cooperatives providing assistance and aid towards development, with the aim of bringing together its network of social enterprises and reflecting together on the role of non-profit organisations.
- Funding for the reconstruction project of the secondary school in Sisak, which was completely destroyed following the earthquake that hit Croatia at the end of 2020.
- Support for the “LUCE” (LIGHT) project promoted together with the Cooperativa la Paranza, whose aim is the educational training of a group of teenagers in the Rione Sanità district in Naples so that they can be involved in professional work for the requalification and enhancement of the cultural and historical heritage in their district.
- Support for the project called “(ri) Abilita” (re-Qualify), developed by the “Semi di vita” social cooperative in Bari, which involves about 20 young people subjected to criminal law measures, giving them the opportunity to work in

- social agriculture on land in the Municipality of Valenzano, confiscated from the mafia.
- Collaboration with “GOEL Gruppo Cooperativo”, aimed at the enhancement of a bio-eco-dermocosmetics laboratory in Polistena so as to implement a line for the processing of cosmetics, thanks to training and job placement programmes for young people run by the “I.D.E.A.” social cooperative.

WOMEN'S EMPOWERMENT

Poverty in Italy shows that there are still too many inequalities that affect the population in general, but the numbers also confirm that it is women that pay the highest price: about 2.3 million live in poverty (more numerous - in absolute terms - than children, young people and the elderly).

The situation is even more critical for those women who have survived male violence and for whom the difficulties in achieving independence, including financial independence, often increase exponentially. Intesa Sanpaolo's commitment in 2021 involved measures for the empowerment of women in vulnerable conditions with the “Donne oltre confini” (Women across borders) Project. Being committed to gender equality and the enhancement of female talent, the Bank launched a partnership for the two-year period 2020-2021 with the network called “D.i.Re Donne in rete contro la violenza” (Women networked against violence). The focus is on women coming out from paths of violence and/or shelters, who are provided with “Doti Autonomia” (Independence Endowment), i.e. small sums to start a new life.

Following the theme of Women's Empowerment, the program for children who are long-term patients also had an impact, as it allowed job placements for 11 educators in the nurseries at the paediatric oncology wards of the Program's Partner Hospitals.

As stated in the 2018-2021 Business Plan, the Group has included the theme of inclusion among the strategic objectives of the company. As evidence of its commitment to these issues, in 2021 Intesa Sanpaolo confirmed its support for a series of initiatives in this area:

- About Women, a series of dialogues on the role of women in society and work as part of the Venice Film Festival, on topics concerning the salary gap and gender discrimination in the professional field;
- Global Inclusion, for inclusion in companies as a competitive lever for the development of organisations;
- Inspiring Girls: a project promoted by Valore D, an association founded in 2009 and that for over ten years has been committed to gender balance and an inclusive culture in organisations;
- STEMintheCITY: an initiative promoted by the Municipality of Milan with the support of the United Nations to remove the cultural stereotypes that alienate girls from technical-scientific schooling and careers;
- Women's Forum G20 Italy, in partnership with the Milan Polytechnic, on topics such as work-life balance, inclusive technology, diversity in the supply chain, with the aim of preparing contributions for the creation of Re-Launch Plans following the COVID-19 pandemic;
- Women Value Company, promoted by the Bank together with the Fondazione Bellisario, a prize awarded to SMEs that have won acclaim for implementing gender equality policies. The Fondazione Marisa Bellisario organises the “Donna, Economia e Potere” (Women, Economy and Power) Seminar on an annual basis, during which it takes an in-depth look at topics relating to economic and political current affairs, with a particular focus on female resources in Italy.
- “Fabbricatrici di Sogni” (Dream Makers), an initiative created by a joint project involving the Bank and the brand “laMilanese”, the Fondazione Caritas Ambrosiana Onlus and the Fondazione S. Carlo Onlus. This involves a training programme targeting a few women in vulnerable conditions geared to the craft production of handbags and fashion accessories with the prospect of future job placements.

Intesa Sanpaolo also offers its support to various kinds of sporting events, with the desire to promote fundamental values for the growth of the new generations: healthy competitiveness, respect for the rules, dynamism, fair play, overcoming one's own limits, all founding principles of civil society in common with the best business culture.

The main initiatives in this area include:

- Support for Host Partners of the Nitto ATP Finals 2021-2025, in addition to Title Sponsor for the Intesa Sanpaolo Next Gen ATP Finals 2021-2022, again participating as protagonist, after the experience in the 2006 Winter Olympic Games in Turin, in an event providing extraordinary visibility for the cities of Turin and Milan and Italy as a whole.
- Support for Friends for Health Onlus and various excellent healthcare facilities in Italy (in particular, the Fondazione Policlinico Universitario A. Gemelli, the Istituto di Candiolo – IRCCS and the medical team at the University Hospital, Città della Salute e della Scienza di Torino) for the realisation of Tennis & Friends, an event that unites Health, Sport, Entertainment and Solidarity to foster a culture of disease prevention and the promotion of good health. Tennis & Friends offers all participants the chance to have a free check-up, raising awareness among an ever-increasing public: since 2011 there have been 137,000 free check-ups. In 2021, in addition to the “historic” event in Rome, support was also given to the first edition in Turin, designated as official charity of the Nitto ATP Finals.

- Partnership with “CORRI LA VITA” (LIFE RUN), a sporting event created to help women affected by breast cancer and to finance projects involving prevention, early diagnosis and treatment of this disease.
- The WEmbrace Sport Project, conceived by the Art4sport association for children and young people who wear limb prostheses, which promotes the practice of paralympic sports, raising awareness on the theme of diversity.
- Support for the equestrian association A.R.E.D.A., affiliated to F.I.S.E. (Italian Equestrian Sports Federation), for the use of horses in rehabilitation therapy for patients with psychological disabilities; the “San Raffaele” rehabilitation facility in Viterbo, considered a flagship in Italy, together with the Niguarda Hospital in Milan, is the only rehabilitation facility which has its own equestrian centre.

MEDIA AND ASSOCIATIONS RELATIONS

In 2021 the Media and Associations Relations unit continued its activity aimed at disseminating and improving knowledge about the Group’s projects and also consolidating the Bank’s reputation through the management of relations with the media, and the preparation of content for the website and its social-media channels. All this took place ensuring the credibility of all news flows to the media: newspapers, radio, television and web, covering economic, general and specialist information, with distribution at local, regional, national and international levels. The unit also manages the Group’s institutional relations with ABI and, at a national level, with other industry and trade associations and their think tanks which the Bank belongs to, promoting and directing its relations.

In 2021, approximately 17,000 articles were published about Intesa Sanpaolo with peaks in February and April, excluding the articles merely mentioning the Bank, and a constant positive sentiment (Eikon analysis). A recent IPSOS survey, based on the opinions of the 75 journalists interviewed, confirmed that the press office service offered by Intesa Sanpaolo was also in 2021 at the top of Italian companies for clarity of communication strategy, preparation, speed and availability of response. According to a Doxa survey, the year 2021 confirmed that Intesa Sanpaolo was rated very highly in terms of reputation, triggered by the favourable reports about it given by the media. This rating provides a snapshot of the potential reputational impact of media content that mentions a particular brand at a given historical moment.

The year 2021 saw the management of media relations focus on communications about the business and, in particular, the Banca dei Territori and IMI-CIB Divisions, the Wealth Management & Protection activities, and also the ESG initiatives, including culture. One of the main opportunities of communication for the Banca dei Territori was the presentation of “Motore Italia” – the strategic programme of loans and initiatives which provides Italian SMEs with 50 billion euro of new credit – which enabled the image of Intesa Sanpaolo to be reinforced as a reference Bank for SMEs, an engine for the real economy and a promoter of the re-start of the production sector. Another element was the local and national presentation and promotion of the new Regional Governance Centres and the Agribusiness Department (following the merger with UBI Banca), highlighting the Bank’s strategy of focusing on local economies. In September the IMI Corporate & Investment Banking Division gave backing to a conference dedicated to infrastructures as a fundamental sector for kick-starting the economy in Italy; it was attended by the Institutions and primary operators from the sector. In addition, a face-to-face press conference was also held called “Intesa Sanpaolo, una Wealth Management Company di Successo”; the three CEOs of the relevant business units in the Group acted as the Group’s mouthpiece and described the framework of wealth management, financial advisory services and insurances in Italy.

At the same time, activity in the international media became increasingly incisive, in particular, the news about the awards assigned by The Banker (reference publication of the Financial Times Group) and by Euromoney, for the role played by the Group in providing stability and support to the collective effort for recovery from the pandemic. Communication to the media on institutional, social and cultural issues focused on developments in the organisational machine in light of the pandemic situation, on the trade union agreements concluded, on the Group’s sustainability objectives and results, on the program to combat poverty, financial education, training, the initiatives of the Impact Department and of its own numerous and varied cultural activities, in particular the exhibitions in the museums of the Gallerie d’Italia, and in partnership with other cultural institutions.

Moreover, during 2021 a significant amount of multi-medial editorial content was produced that could be used to proactively raise the awareness of public opinion and of stakeholders regarding the Group’s strategy, results and initiatives. In addition to the usual activities of information to and from the press, the

Media and Associations Relations unit produced content of a digital, informative nature geared to reach a wider audience and maintain a constant level of information during the phases of lockdown, exploiting the capillary effect of digital channels. In the Newsroom section on the Group website, managed by the unit, over 458 News items and In-depth articles were published (+24% compared to 2020), optimised for improved indexing in the search engines. In particular, 124 news items were published in 2021 (six times the number of news items on similar themes, compared to 2020) dedicated to the measures supporting companies - and their related supply chains - and to farming businesses supported by the new Agribusiness Department.

To provide information at an international level about the various activities the Group is involved in, the number of items published in English has increased and in 2021 they represented more than 28% of the contents published in the Newsroom section (9% more than in 2020). About 1,325 tweets were posted during 2021 via the Twitter profile (@IntesaSanpaolo), managed by the Media and Associations Relations unit. The social-media activity was used not only to boost the dissemination of press releases, News items and In-depth articles, but also as a sounding board for a few fundraising initiatives and in favour of culture during the year. In particular, the campaigns that involved Étoile Roberto Bolle generated over 42,000 views without advertising investments; these tweets also included the post that, with 11,278 views, achieved the highest number of views in the last two years on the @IntesaSanpaolo profile.

On the occasion of the Shareholders' Meeting in April that approved the integration of UBI, the unit prepared a digital brochure to tell the story about the new step ahead in the Group's success story that is firmly rooted in the local territories but with an increasingly European momentum. The brochure was sent to customers, shareholders, employees and other stakeholders. Furthermore, the unit produced a glossary in digital and paper formats called "Le parole giuste – Media e persone con disabilità" (The Right Words – Media and people with disabilities), a guide intended for journalists and communicators on the use of correct and respectful terms, when talking about disabilities. The Guide, available free-of-charge on the Intesa Sanpaolo website, was produced in collaboration with the Office of the Italian President of the Council of Ministers, thanks to the Office for Policies in favour of People with Disabilities and the National Forum on the Condition of People with Disabilities and with ANFFAS - National Association of Families of People with Intellectual and/or Relational Disabilities.

Within the scope of the Group's institutional relations with ABI, the other industry and trade associations and with the related think tanks, in 2021 the unit coordinated seven public consultation procedures activated by national regulators and intermediated by ABI and ten procedures for consultation activated by European regulators in collaboration with the European Regulatory and Public Affairs unit; it fostered a well-organised activity of contacts and relations with the top management and operational representatives at a national level of Confindustria with a view to defining the Intesa Sanpaolo-Confindustria agreement called "Competitività, Innovazione, Sostenibilità" (Competitiveness, Innovation, Sustainability); it nurtured relations with the top management and operational representatives of Confindustria's regional associations and national trade associations for the promotion of the Bank's plan of measures in support of the growth and transformation of Italian companies. The unit also works with various think tanks on research projects, particularly on growth, solidarity and cohesion.



Employment protection



Employment protection

RELEVANT ISSUES

Job protection

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Labour Relations

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WHY THESE ISSUES ARE RELEVANT

The central role played by the Intesa Sanpaolo Group's people, also enshrined in the Business Plan, is evident in the company's full protection of workers' rights with particular regard for the development of labour relations and job protection. The programmes adopted, also thanks to the numerous agreements signed with the Trade Unions, have made it possible to effectively protect employment levels through professional retraining and reallocation activities, but also with the introduction and consolidation of numerous innovative contractual tools.

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Projects/Indicators	2021 Actions/Results (cumulative value since the start of 2018)	2021 objectives
Job protection	People reassigned to high value-added activities New hires	<ul style="list-style-type: none"> Over 1,300 reassigned employees working on new priority activities in 2021 (over 5,750 since 2018) Around 3,990 hires at Group level, of which 500 with specialised profiles (over 1,700 since 2018) 	<ul style="list-style-type: none"> 5,000 people reassigned to high value-added initiatives At least 1,650 new hires to support core business growth
Labour Relations	Group's people who are members of a trade union Signed trade union agreements	<ul style="list-style-type: none"> 77.3% in Italy (credit agreement) and 30.4% abroad 62 signed trade union agreements (180 since 2018) 	<ul style="list-style-type: none"> People acting as an enabling factor, including by means of a meaningful discussion with trade union representatives

COMPANY POLICIES

The company's approach to managing issues relating to the protection of workers' rights is outlined in the Code of Ethics, which recognises the principles established by the fundamental conventions of the ILO (International Labour Organization) and in particular the right to freedom of association and collective bargaining, the abolition of forced and child labour, and non-discrimination in employment. The applied collective bargaining system works on two separate and complementary levels: the first at national level and the second at company level for the Intesa Sanpaolo Group (second-level contractual structure). The labour relations model, adopted and developed by the Group together with the Trade Unions, has promoted dialogue between the parties on a continuous basis. The model is a way of identifying the most suitable solutions and tools for addressing and managing the various growth and reorganisation phases that have marked the company's activities over the years, including those involved in the implementation of the 2018-2021 Business Plan. This exchange continued uninterrupted through remote methods in the health emergency and providing a significant contribution to keeping the options required to face the various phases of the pandemic crisis constantly up-to-date. Concrete evidence of this can be seen in the creation and work of bilateral Company/Union bodies, formed with the aim of analysing, identifying and proposing positive actions, solutions and tools in the areas of equal opportunities, welfare, safety and sustainable development.

JOB PROTECTION

For Intesa Sanpaolo, job protection is a priority issue for guaranteeing its mid- to long-term financial solidity, and is also one of the key topics underlying the 2018-2021 Business Plan. The development of labour policies is entrusted to a specific structure in the Chief Operating Officer Governance Area, which has the task of drawing up union

agreements and monitoring their implementation. Strategic measures included, within the scope of the agreements entered into, the strictly voluntary resignation, by 2021, of 10,600 employees due to retirement or through access to the sector Solidarity Fund. Furthermore, the trade union agreements signed following the acquisition of the UBI Group made it possible to identify the best conditions for a generational change without social impacts, ensuring an alternative to possible professional reallocation as well as the enhancement of human resources; in this context, approximately 9,200 voluntary resignations through access to retirement or the Solidarity Fund have been planned and will be completed in the Group by 31 March 2025. Concurrently, in order to pursue a balanced management of the effects arising from the resignations and in order to support the Group's growth, 4,600 indefinite-term employment contracts will be signed by 31 December 2025. Employment within the Group was also guaranteed by the gradual extension of the new mixed contract (around 720 people in service at the end of 2021), a working method whereby individuals possess two separate contracts, one permanent part-time employee contract and one as a self-employed financial advisor for out-of-branch activities.

In 2021 the Group workforce turnover rate, equal to -3.5%, is essentially in line with the previous two-year period and consistent with the structural measures planned.

The Group successfully achieved the objective set out in the 2021 Business Plan aimed at the reallocation of ~5,000 resources to priority initiatives. In this context, in 2021 the Intragroup Mobility structure and HR Proactive Placement, in line with the Group's strategy, monitored the mobility tools and processes, verifying the availability of internal personnel and the necessary expertise on the basis of the identified requirements, while also guaranteeing the development of employees in new roles.

In 2021, with the goal of further improving talent acquisition, employer branding implemented communication strategies designed to convey Intesa Sanpaolo's core values, while emphasising ESG issues, diversity, inclusion and attention to the individual as a whole. The "Prova un colloquio" (Try an interview) initiative is also part of this strategy, which saw 500 young people without professional experience involved in a selection interview with the aim of giving them feedback on development and guidance and discovering their strengths and weaknesses. The Careers page was updated and further enriched with content, introducing some podcasts in addition to videos. Employer branding activities were also continued on social media sites LinkedIn (12.5 million views in 2021 with an interest rate of 6.4%, up compared with 2020) and Instagram. Partnerships with the leading Italian universities continued, with over 20 events including Career days, workshops and training seminars, all delivered digitally. 2021 also saw the continuation of the Cyber Security Academy, in collaboration with Milan Polytechnic, in which the Group's line managers participate as teachers, while the Job Center continued to focus on selection and recruitment issues. In support of the Group's recruitment plan, around 70,000 CVs were assessed and around external 6,000 candidates interviewed in 2021.

LABOUR RELATIONS

As well as by the industry outlook, ongoing relations with the Trade Unions are also regulated by the Labour/Management Relations Protocol, renewed in 2021, which has made it possible to implement a specific union relations model within the Intesa Sanpaolo Group. Dialogue with the Trade Unions regarding company projects is aimed at identifying shared solutions to the various requirements that come to the attention of the Parties. This also takes place in accordance with trade union representation in Italy (77.3% of current employees), in line with national representation in the sector. During the COVID-19 health emergency, in the 2020-2021 two-year period the dialogue also took place remotely. In 2021, 62 agreements were entered into through which attention continued to be paid to the integrated welfare system, while the signing of the Second-Level Collective Bargaining Agreement defined the economic conditions of all the employees of the new Group. The agreements reached make it possible to further enhance and expand the welfare tools for the benefit of the Intesa Sanpaolo employees and their families, to improve the effectiveness of the company's organisation and to define sustainable and differentiated labour policies even in different working life phases, such as to create cohesion and solidarity among the different generations present in the Intesa Sanpaolo Group. The topics dealt with concern professional development process, work/life balance, inclusion, training, complementary pension schemes and supplementary health care. The Time Bank, Flexible Work and the various initiatives for the development of policies and tools to address problems relating to the area of disabilities and to promote the culture of fostering inclusion are just some examples that define and characterise the overall direction that the second-level collective bargaining agreement has been going in for some time. To this end, the activities of the Welfare, Safety and Sustainable Development Committee set up in the context of the Labour/Management Relations Protocol were also crucial. This bilateral body, which adequately represents both the company and the Trade Unions, is supplemented each time by technical experts that are able to offer specific expertise on the issues in question. Due to the persistent COVID-19 emergency, the measures in support of family and childcare - already introduced in 2020 with a specific trade union agreement - were confirmed.



Retention, enhancement, diversity and inclusion of the Group's people

Retention, enhancement, diversity and inclusion of the Group's people

RELEVANT ISSUES

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WHY THESE ISSUES ARE RELEVANT

Like the previous plan, the 2018-2021 Business Plan identifies the Group's people as key for the consolidation and continuing growth of the Bank. Thanks to their professionalism, their range of expertise and their growth paths, together with the important technological investments launched to be ready for the digital challenge, the Intesa Sanpaolo employees continue to ensure the excellent quality of customer services and the fulfilment of the Plan's goals, as well as to deal with the COVID-19 emergency situation. The enhancement of the Group's human resources therefore plays a crucial role, including through the promotion of training and merit, as well as attention to the issues of diversity and inclusion.

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Projects/Indicators	2021 Actions/Results (cumulative value since the start of 2018)	2021 objectives
Retention, enhancement, diversity and inclusion of the Group's people	Training: hours provided	<ul style="list-style-type: none"> 12.8 million hours of training (approximately 46 million hours since 2018) 	<ul style="list-style-type: none"> 46 million hours of training in the 2018-2021 period 11.9 million hours in 2021
	Insurance sector training	<ul style="list-style-type: none"> Over 240 protection specialists introduced to support branches (since the beginning of 2018) Over 1.3 million hours of training and specialisation for insurance sector growth for over 39,000 people, supporting branches 	<ul style="list-style-type: none"> Training and specialisation for insurance sector growth: around 220 protection specialists supporting branches; around 30,000 trained individuals from branches
	Loan recovery training	<ul style="list-style-type: none"> Over 11,300 training hours provided to over 9,400 employees to consolidate loan recovery 	<ul style="list-style-type: none"> Strengthening of credit recovery skills and creation of a dedicated internal unit
	International Talent Program	<ul style="list-style-type: none"> Over 320 employees involved in development initiatives launched as part of the International Talent Program since the Program began 	<ul style="list-style-type: none"> Around 500 talents involved
	Managerial assessments	<ul style="list-style-type: none"> 721 employees subject to assessment (53% men and 47% women) 	<ul style="list-style-type: none"> Career advancement paths for employees destined for managerial roles
	Employees participating in the LECOIP 2.0 incentive plan	<ul style="list-style-type: none"> Over 80% of those eligible participating in the LECOIP 2.0 Plan 	<ul style="list-style-type: none"> Strengthening Group employee involvement through long-term incentive programmes linked to the Business Plan objectives

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Projects/Indicators	2021 Actions/Results (cumulative value since the start of 2018)	2021 objectives
Retention, enhancement, diversity and inclusion of the Group's people	Diversity & Inclusion initiatives	<ul style="list-style-type: none"> ▪ The Rules for combating sexual harassment were issued; a mandatory course was delivered to all Group's personnel (Italy) and training meetings were held for the functions involved in the management of reports and for all HR managers ▪ The Diversity & Inclusion Principles were incorporated abroad; ▪ The GEEIS - Diversity Certification was attained ▪ The D&I Control Room was launched ▪ The training course on Inclusive Leadership dedicated to all Managers was extended (over 1,000 employees already involved) ▪ D&I training plan aimed at different targets on topics such as: ageing, female empowerment, sexual harassment, neurodiversity, sexual orientation, parenting, disability, etc. ▪ The programme for long-term absentees was extended to all Group Structures, regardless of the reason of the absence 	<ul style="list-style-type: none"> ▪ Promote diversity and inclusion

COMPANY POLICIES

The enhancement of human resources and the principle of excellence based on the recognition of merit are defined in the Group Remuneration and Incentive Policies, in the Diversity & Inclusion Principles approved in 2020 and in the Code of Ethics. Specific tools for managers and professionals make it possible to implement structured performance assessment processes and map skills. The Group's Remuneration and Incentive Policies aim to align the behaviour of the staff with the interests of all Stakeholders, guiding their action towards the achievement of sustainable medium-long term objectives within the framework of the prudent assumption of current and prospective risks, as well as to contribute to making the Group an "Employer of choice" for its ability to attract, motivate and retain top resources. Designed to respect regulatory requirements and based on correct relations with customers, the Policies link wages to risks undertaken, aligning the remuneration systems with prudent financial and non-financial risk management policies. In addition, the Policies are inspired by the principles of merit, rewarding outstanding contributions and guaranteeing a close relationship between bonuses and results achieved/risks taken, the principles of equality in both internal and external terms, the principles of gender equality and sustainability, making it possible to limit expenses to values compatible with the Group's economic and financial liquidity.

The Principles on Diversity & Inclusion and the Code of Ethics in terms of diversity enhance the specific qualities of each employee, recognising their key contribution towards innovation and the growth of the Group. At the same time, it guarantees equal opportunities in terms of professional growth and development and access to training courses and refresher and role assignment initiatives. The Diversity & Inclusion structure, created at the end of 2018 within the scope of the Chief Operating Officer Governance Area, pursues the mission to promote all forms of diversity that coexist within the Group: gender, generational differences, disabilities, sexual orientation, cultural, ethnic and religious differences.

PEOPLE AND DIGITAL TRANSFORMATION

People and digital transformation were key enablers in the Intesa Sanpaolo's 2018-21 Business Plan. In 2021 as well, the innovative approach of the Digital & Data HR Transformation Programme, concluded in 2020, allowed the continuation of the digital transformation of services and processes dedicated to employees through the co-leadership of the Chief Operating Officer and Chief IT, Digital and Innovation Officer Governance Areas, a semi-agile working method, 100% Cloud IT platforms and cross-functional teams. The main results achieved in 2021, including through the #People portal, include, in particular, the completion of the onboarding of former UBI employees launched at the end of 2020: around 15,000 people were guided through the stages of a process designed to ensure clear orientation and support rapid and full integration; the activation of the onboarding process for the new hires of the IMI Corporate & Investment Banking Division. The new onboarding model was activated in the form of a pilot project with the aim of being extended during 2022 to the other Group Structures.

Employee Central – ISBD People Data is the tool dedicated to the International Subsidiary Banks which consists of a database containing the most important personal and professional information on around 20,000 employees from 9 subsidiaries within the area managed by the International Subsidiary Banks Division.

#PEOPLE: THE PORTAL FOR THE PEOPLE OF INTESA SANPAOLO

Launched in 2018, this is the space dedicated to all Intesa Sanpaolo Group people. From the portal all employees can access their personal profile, which contains their main personal details together with their CV and a space for introducing themselves and sharing their professional ambitions, and the LECOIP 2.0 and POP (Performance-based Option Plan) section to keep track of the Plans. There are also sections dedicated to Personal Services, which include over 300 products and initiatives offered to Group's people, to internal mobility, such as Jobs@ISP, the internal job marketplace with professional opportunities dedicated to all Group personnel and Next, the Intesa Sanpaolo placement and reskilling programme. #People also includes the Performance Management and News area, as well as multimedia information to keep the Group's people up to date on the most important events and news. In addition, two Apps connected to #People and HR systems were also developed: the #People App for mobile devices and the Feedback App, connected to the Group's Performance Management system, which makes it possible to easily share feedback between managers and employees. 2021 saw the release of a programme called "Next Way of Working", which launched digital awareness-raising initiatives aimed at the entire company population, with concrete suggestions and good practices for the adoption of inclusive behaviours in a context of widespread remote working. The "Next Way of Working" programme also involved the activation of a new time management and slot booking tool which made it easier and more effective to organise team work, thanks to real-time sharing of planning and a monitoring option through dashboards and specific KPIs; in this context, an initiative was also launched aimed at expanding the opportunities for discussion and feedback between managers and employees, enhancing the current feedback tools with "Task Management".

Furthermore, in December 2021 an initial phase was launched for the inclusion in #People of the chatbot Ellis, a virtual assistant with which users can dialogue to make it easier to search for information and request administrative services, thanks to the introduction of artificial intelligence solutions.

In the context of the next Business Plan and with a view to continuing to provide increasingly effective and digital services, #People aims to become a one-stop source of all HR contents and services for Group's people.

ASSESSMENT AND INCENTIVE SYSTEMS

UpPER is the performance assessment system adopted in 2019 to meet the new development challenges. Supported by a digital system, it places the focus on every single individual, emphasising their specific role and contribution. The performance assessment is based on three indicators, shared between managers and employees at the start of the year. In order to foster continuous dialogue, during the assessment cycle managers can provide employees with feedback on the indicators that have been assigned, also thanks to the use of a specific App, enabling them to receive notifications of relevant training initiatives.

For the Group's Risk Takers and Middle Managers the assessment system adopted is known as Managers' Performance Accountability and is based on objective and measurable qualitative and quantitative KPIs identified in accordance with the goals of the Business Plan.

As for the International Subsidiary Banks, the New Performance Appraisal Tool - NewPat - was launched in 2018. This tool provides performance evaluation of all the employees from the head office departments.

Furthermore, 2021 saw the introduction of the Network Incentive Model - NIM, a tool dedicated to the assessment of branch personnel working in 3 pilot banks (PBZ, ISP BiH and ISP Slovenia), which will be followed by a gradual release on the other Banks.

In line with the Business Plan, Intesa Sanpaolo continued to apply the so-called Global Banding mapping system for organisational managerial positions within the company, which objectively evaluates the relative value of different organisational roles and represents in a more organic and objective way - both externally and internally - the responsibilities of each Manager, also through the adoption of an international title valid for managerial positions in Italy and abroad. With reference to the enhancement of professionals, Intesa Sanpaolo completed the experimental phase of the professional title allocation project and began the phase of extending the model to the remaining Head Office Departments, where the professional roles are not specifically identified. The Professional Titling project is aimed at enhancing the level of professional contribution provided in the context of one's profession, progressive skill specialisation as well as introducing an alternative people development system to the managerial one. Furthermore, in order to feed the managerial growth pools, in line with Global Banding, the portfolio of potential Assessment initiatives and the related Policy were updated. In 2021, over 700 employees were involved in Assessment initiatives, equally distributed by gender.

As for its Incentive Systems, the Group has both short-term and long-term Plans for the entire workforce. More specifically, for the Group's Risk Takers and Middle Management there is an annual Incentive System connected with the Managers' Performance Accountability system and, with reference to the International Subsidiary Banks, with NewPat according to which a bonus is awarded upon the fulfilment of certain goals in accordance with the rules outlined in the Remuneration and Incentive Policies.

In this Incentive System, the ESG dimension was strengthened through the introduction of a specific and structured KPI assigned to the CEO and to approximately 2,100 managers (in Italy and abroad) in line with the Group's commitment to the sustainability/ESG sphere (see page 43).

For the remaining personnel, in order to continue rewarding them for their contributions to achieving the goals of the 2018-2021 Business Plan, a second-level agreement was signed on 14 April 2021 for the pay-out of the 2021 Broad-based Short-Term Plan (PVR) destined for all Group's people, including former UBI Group employees. The 2021 PVR rewards the increase in profitability and productivity by confirming the principles of inclusion, merit and orientation towards sustainable results over time as set out in the aforementioned Plan and is simplified insofar as it is composed of two portions:

- Base Bonus, paid on the basis of the assigned professional role or, in the absence thereof, of the allocated seniority level;
- Excellence Bonus, paid according to distinctive individual performance and team goals.

In 2021 as well, given the persistent difficulties caused by the COVID-19 emergency, employees who were absent for long periods of time continued to be eligible to participate in the Plan. In addition, confirming the importance attached to the issues of services for families and work-life balance, employees once again had the option of requesting that all or part of their 2021 PVR be recognised in the form of welfare services, taking advantage of the opportunities that the tax regulations in the area of workplace productivity remuneration offer employees. In line with the strategic objectives, the Protection Excellence System (SET), dedicated to the personnel of the Network involved in the offer of insurance products, was also confirmed for 2021. Finally, with the agreement dated 26 July 2021, the Insurance Division personnel was paid a Variable Additional Bonus (PAV) and a Social Bonus.

SERVICE QUALITY AND EMPLOYEE INCENTIVES

The Excellence Bonus for personnel of the Intesa Sanpaolo network rewards the work of the best teams and standout conduct, with a focus on achieving sustainable performances over the medium- to long-term in terms of profitability, expandability, credit quality, sustainable growth, service quality, customer satisfaction and a multichannel approach, in any case taking into account the quantitative assessment. Upon meeting certain KPIs, the bonus is awarded to 20% of the best branches in each Sales Region.

In order to protect customer rights and interests, it should be noted that the Incentive Systems dedicated to personnel operating in the Group's sales networks do not include any economic-financial KPI based on the distribution levels of a specific product/service. Furthermore, for the purpose of achieving the objectives, only transactions that comply with the customer profiles are taken into consideration.

In addition to these instruments, the Group has put in place long-term Incentive systems that have the same timescale as the 2018-2021 Business Plan and are tailored to different employee clusters in terms of their purposes and instruments. More specifically, to bring the Top Managers, Risk Takers and Key Managers in line with the challenging and ambitious expected goals of the Plan, an incentive system based on performance conditions that uses an option vehicle called Performance-based Option Plan (POP) was launched in 2018. Following on from the 2014-2017 LECOIP (Leveraged Employee Co-Investment Plan), the LECOIP 2.0 plan was launched as from 2018 for the other Managers and employees, and was warmly received by the Group's people, with over 80% of those eligible subscribing to the plan for an Initially Allocated Capital value of around 184 million euro.

TRAINING

In 2021 the Development Policy and Learning Academy Head Office Department continued to implement innovative training models and methodologies, geared towards all Group's employees and conducive to promoting a multichannel approach that makes learning as simple and flexible as possible through the use of the different Platforms (Apprendo, Myla and Management School). The strong remote working and training experience gained in 2020 due to the pandemic was capitalised in 2021 by continuing the use of remote channels for synchronous and asynchronous training.

In 2021, the Group's people were very positive about the training with satisfaction levels of 87% for digital training and 97% for live training.

The Training Dashboards, available for HR Supervisors and Managers, have become a consolidated tool that allows to gain an overview of the Group's people training progress.

On a thematic level, the mandatory training provision for Group's people was extended and updated, based on the guidelines set out in the new Code of Conduct. New digital contents were published on the subject of Legislative Decree 231 and cybersecurity, the latter area considered to be extremely significant, also given the continuation of the health emergency. There was a number of ESG training initiatives aimed at the IMI CIB Division, Intesa Sanpaolo Private Banking and the rest of the Group (see page 49).

In the context of Diversity and Inclusion, in line with the 2018-2021 Business Plan, initiatives were provided on various topics (with the involvement of over 1,000 Managers through Management School), such as female empowerment and the dissemination of the ageing culture.

2021 recorded significant growth in the use of the Knowledge and Roles Model and the associated tools, which by providing a snapshot of the existing know-how and professional roles within the Group, enable various HR processes (such as Professional Titling, people training and development).

In 2021, Management School assisted over 7,900 Managers and 300 Talents with a wide range of initiatives. Listening to the Managers' needs was the starting point for delivering initiatives tailored to the needs related to the new context: 96 managers were involved in Digital Shadowing, aimed at improving performance in the management of remote meetings, 567 in Distance Tutoring and 220 in Coaching courses as well as various personalised programmes. These include the Take Care of* to guide over 300 former UBI Managers through an accelerated integration into the Group, a development process dedicated to recently appointed managers and a sharing initiative aimed at the first 70 Managers who are engaged in the experimental phase of the Next Way of Working.

The K-Hub programme was launched, the first internal Business School which in 2022 will allow 35 high-potential Managers to experience management development and gain an insight into strategic issues of relevance to the next Business Plan. The Business School, in its international capacity, involved around 1,000 managers of the International Subsidiary Banks in 5 editions of Digital Talks on global topics, and launched a journey of meetings on ESG issues for them. It also provided 220 English language courses for 230 Managers, part of an internationalisation goal.

The Management School App was enriched with 270 new learning objects, for a total provision of 960 contents also dubbed in English, and achieved an 81% adoption rate and 98% satisfaction rate. Digital planning was focused on the managerial conditions of the new working context and on strategic issues for the Bank: sustainability, Diversity & Inclusion issues, technological evolution in the workplace and the transformation of professional areas and business models.

As part of the Impact initiatives, the three-year Z LAB project continued to develop transversal skills and to provide students with career guidance. Intesa Sanpaolo provided the students with digital environments based on interactive dynamics, experiential workshops, project work and the digital culture so they can discover and think about the world of work. Students work, assisted by a team of tutors who oversee the workshop activities full time. Over 2,810 students have been involved to date in the approximately 150 courses launched in 22 Italian cities, either in the classroom or online. 2021 saw the addition of the Futurità (Futurity) project dedicated to pupils in the third and fourth years of secondary school, aimed at facilitating the development of the sustainability culture, bringing new learning tools into the classroom to help students understand the mechanisms underlying sustainable economic development strategies. The Futurità project provides support to the teaching of civic education and has PCTO value (former school-work project). The 1st edition of Futurità, held in the 2020/21 school year, involved 73 classes and over 1,500 students.

TALENT DEVELOPMENT

The International Talent Program (ITP) has established itself as one of the most important talent development initiatives at a Group level. Launched in 2017 to develop a new generation of managers and professionals with a transversal culture and an international outlook, the Programme is aimed at a target group of employees who are professionals or middle managers. The key element of the Programme is its personalised development courses of 3-5 years. Each course consists of inter-functional, inter-divisional and international work experiences, each of which lasting indicatively at least a year. The aim is to develop new skills - technical/specialised, behavioural and managerial - and an overall vision of the Intesa Sanpaolo Group. All participants in the Programme are involved in specialist and managerial training initiatives in English in collaboration with leading Business Schools, in international workshops focused on innovation, and in project work initiatives closely related to the Group's business areas. For each Talent there is a sponsorship programme for the entire duration of the course, with the direct involvement of Group Senior Managers. The first ITP edition, launched in 2017, with the definition of the placement of 97 employees in managerial or high-level professional roles is nearing completion. The second edition, launched in 2019, involves the rotation of 105 talents throughout the Group, 3 of whom are already in the placement phase. Furthermore, the 50 Talents from UBI Banca are continuing with their tailored programme in Intesa Sanpaolo, which began in December 2020. Overall, at the end of 2021, the number of participants in the Programme is in excess of 320 Talents.

SUCCESSION PLANS FOR BUSINESS CONTINUITY

In order to ensure the security and continuity of the company's business even in the event of termination - for whatever reason - of those managers who hold significant corporate roles, the Intesa Sanpaolo Group has for several years defined and adopted rules for the management of the succession plans of Top Risk Takers (Strategic Succession Planning). These rules represent an opportunity for the Bank to enhance its human capital, with a view to strategic management of the managers' internal growth, with the aim of ensuring the constant presence within the company of the best, updated and competitive resources. Once again with a view to enhancing internal resources, succession planning is accompanied by a process aimed at identifying, managing and developing high-potential resources, which makes it possible to contribute to natural succession mechanisms, guaranteeing a constant and necessary generational turnover within the Group.

DIVERSITY AND INCLUSION

The company population is fairly evenly spread between male and female employees (47% men and 53% women). There are over 14,000 female managers (executives and middle managers) in the Group, representing 28.7% of all female employees. Women managers account for 38.8% of all managerial staff.

During 2021, the Diversity & Inclusion (D&I) Structure, reporting directly to the Chief Operating Officer, continued its promotion of an inclusive work environment, capable of welcoming and enhancing all forms of diversity. Supported by a process involving the measurement and continuous assessment of the results obtained, the Group's inclusion strategy sets the benchmark for an effective cooperation with all of the entities involved in various ways in the co-creation and development of the initiatives. In order to ensure a fruitful collaboration with all the Group structures, the D&I Operating Committee, comprising a focal point for each Division and Governance Area, continued its alignment, discussion and sharing activity, fostering a continuous exchange between the D&I Structure and all the Group's entities, with a view to conveying the various inclusion initiatives and co-planning and directing specific initiatives. The publication, at the end of 2020, of the Group's Principles on Diversity & Inclusion, further consolidated the guidelines on inclusion best practices, starting from the concrete commitments that Intesa Sanpaolo has undertaken to guarantee fair opportunities, including in a gender equity perspective, in hiring processes, promotion to senior roles, appointments to Management positions and in the succession plan for top management roles. A dedicated Control Room started its operations, monitoring compliance with the commitments set out in the Principles.

The Rules for Combating Sexual Harassment were published in 2021. This is a document that supports the Code of Ethics and the Code of Conduct in expressing the policy of firm condemnation of all types of harassment and which governs the report management process in detail. The publication of the document was accompanied by the provision of a mandatory training course for the entire company population as well as communication/awareness-raising initiatives through internal communication channels. In 2021, 2 reports were received which were handled in accordance with the process set out in the document Rules for Combating Sexual Harassment. In addition, a listening and psychological support and legal information service dedicated to the victims of sexual harassment was activated, which can be accessed free of charge and is managed by external professionals.

In order to enhance female talent and encourage the creation of fair and inclusive working environments, the development initiatives for female professionals and managers continued, including initiatives aimed at the enhancement and growth of high-potential female talents, which include job rotation programmes, shadowing, training and empowerment processes. The "Female Leadership Acceleration" programme, an assessment, training and development process aimed at women managers, with the aim of creating a community receiving customised management approaches in terms of growth, also continued.

Moreover, the programme for long-term absentees was gradually extended to all Group Structures. The initiative is aimed at forging a close relationship during the employees' absence and promoting their successful return to work.

The parenting support initiatives were aimed at both mothers and fathers: following a listening workshop on the topic of fatherhood, conducted at the turn of 2020-2021, different awareness-raising initiatives were planned. The ideas shared were the starting point for the production and dissemination of a series of video interviews with mothers and fathers belonging to the Group, who told about their experience as parents in Intesa Sanpaolo and encouraged a debate on the relationship between parenting, gender equity and managerial skills. The first "mixed" classroom of an internal training programme was also set up, originally aimed at new mothers with the aim of enhancing the skills acquired during maternity; the extension to fathers is conducive to a shared reflection on gender roles in parenting and on how to rebalance household workloads in families.

In addition, during 2021, the process launched on the theme of coexistence and enhancement of the different generations in the company continued: various Group companies were involved in listening initiatives on the different generations present in the company. The results of this activity led to the launch of mentoring and exchange initiatives between employees belonging to different generations as well as training courses for all Group's people and an awareness-raising initiative on intergenerational encounter issues aimed at managers.

In terms of sexual orientation and gender identity, the collaboration with Parks - Liberi e Uguali continued, with which Intesa Sanpaolo is partnering and with which communication and awareness-raising initiatives were planned to encourage the full inclusion of LGBT+ people. An internal document was also drafted for the definition of inclusive best practices to guide people who wish to be supported in the workplace during their gender transition process.

The value of inclusion was the subject of various training contents designed and proposed during the year, which were customised and aimed at different Group populations. The managers continued their managerial discussion meetings on Inclusive Leadership issues. These were initially addressed to those reporting directly to the CEO along with his first reporting lines, and are now in the process of being extended to all senior roles within the Group. Training contents were also designed and specifically aimed at resources working in personnel management, as well as training, communication and awareness-raising contents targeted at the entire population or at specific Group entities.

DIVERSITY AND INCLUSION AT INTERNATIONAL SUBSIDIARY BANKS

In 2021, the International Subsidiary Banks made several commitments to strengthening Diversity and Inclusion through a number of local initiatives. Among these, Banca Intesa Beograd joined the global initiative "Ring the Bell for gender Equality" organised by the Belgrade Stock Exchange and by the UN Global Compact Network Serbia, with the aim of promoting the importance of gender equality and the role of women in economic development. Alexbank joined the Egyptian Gender Equity Seal, a certification process in collaboration with the National Council for Women, aimed at promoting equality and removing gender discrimination, which focuses on four areas: recruitment, professional development, work/family balance and policies against sexual harassment. VÚB Banka was one of the first companies to sign the Diversity Charter in Slovakia, thus confirming the Bank's commitment to creating a working environment based on openness, fairness and trust and where diversity is promoted; thanks to its commitment in these areas, the Bank was awarded by Profesia.sk a silver medal for "The Employer of the Year" during the ceremony held in January 2021. Furthermore, for the third consecutive year, CIB Bank received the "Family Friendly Company" award assigned by the "Three Princes, Three Princesses Movement" Foundation for the various initiatives aimed at work/family balance for its employees, while PBZ was recognised as CEP (Certificate Employer Partner) by a specialised consultancy company, which rewards companies that adopt outstanding human resources practices, an award won thanks to the special attention paid to the promotion of D&I issues.

The Group's inclusion strategy aims to make an impact outside the Bank and, to this end, the collaboration with Valore D, a business association that promotes diversity and female talent and leadership for the growth of companies and the country, continued, along with the partnership and active participation of more than 100 company Role Models in the InspirinGirls initiative, a project dedicated to lower secondary school pupils which involves meetings with female managers from the Group with the aim of overcoming the gender stereotypes that can undermine the dreams and ambitions of schoolchildren and influence their future education choices. In order to generate a positive impact on the national social fabric and involve all areas of the Italian territory, Intesa Sanpaolo actively participates in the YEP – Young Women Empowerment Program, aimed at the promotion of female talent with a specific focus on Southern Italy. The programme, developed in collaboration with Ortygia Business School, includes a mentoring process aimed at young female students (mentees) from Southern Italy, benefiting - through individual coaching - from the experience of Intesa Sanpaolo female managers and professionals (mentors). To support women's participation in STEM (Science, Technology, Engineering and Mathematics) careers, five scholarships were awarded at five universities in Southern Italy and eight scholarships as part of the Girls@Polimi programme, to actively contribute to attract more female students in technical-scientific faculties, which offer greater employment prospects. In order to foster the values of inclusion outside the Group as well, in 2021 Intesa Sanpaolo actively participated in various events dedicated to diversity enhancement issues, including: 4 Weeks 4 Inclusion, the marathon of meetings dedicated to D&I issues which was joined by over 200 companies; the Global Inclusion event which annually brings together companies, schools and universities, civil society and the third sector; the Women's Forum G20 Italy, an international event held in Milan on the occasion of the G20 Italian Presidency and dedicated to the gender equity issue; the Girls Takeover, the female hackathon, which Intesa Sanpaolo joined for the second consecutive year as a partner.

As a testament to its continued commitment towards inclusion, Intesa Sanpaolo is the first bank in Italy and among the first in Europe to receive the Gender Equality and Diversity European & International Standard (GEEIS-Diversity), an international certification issued by the Arborus Association through Bureau Veritas, aimed at assessing the commitment of organisations to diversity and inclusion. Intesa Sanpaolo's commitment to inclusion and diversity enhancement was also recognised by international indices: Intesa Sanpaolo was included in the Bloomberg Gender-Equality Index (GEI) 2021 for the fourth consecutive year; it is also the only Italian bank, the first one in Europe and the sixth one in the world to be included in the most recent edition of Refinitiv's "Diversity and Inclusion Index", which ranks the world's top 100 listed companies that stand out for

their commitment in support of inclusion and diversity protection, ranking 50th out of over 11,000 companies, improving its position compared to the previous year. Intesa Sanpaolo is also included in the Top 20 of the Diversity Brand Index (DBI), the index that measures the perception of Italian consumers on brand ability and commitment on the subject of Diversity & Inclusion.

Trade union agreements have also taken account of the issue of diversity since 2014 with the definition of the Framework protocol on inclusion and equal opportunities, as part of the renewal of the second-level collective bargaining agreement, with the signing of an Agreement on inclusion in 2018 and 2021. As regards sexual orientation and gender identity, specific company policies were introduced back in 2014 to define the framework for the extension of company benefits to same-sex unions. As well as promoting the specific interdepartmental work group (InSUPERabili) that deals with problems connected with the world of disabilities and illness, the Inclusion Agreement also involves the launch of trial projects with the support of the Welfare, Safety and Sustainable Development Committee to encourage people diagnosed with autism or autism spectrum disorder to perform data entry activities on behalf of Intesa Sanpaolo, and work-study initiatives for pupils with intellectual disabilities with the goal of potentially including them in the aforementioned work project. These projects are partly funded by the Arrotonda Solidale ("Round-down Solidarity") initiative, which involves the contribution, on a voluntary basis among all Group's people, of the residual amount collected from rounding down net monthly salaries to the nearest euro. In turn, the Company contributes the remaining cents to make the contribution per employee a total of one euro.

DISABILITY MANAGEMENT

The reference contact within the company to address all problems connected with the world of disabilities and illness is the inter-functional Working Group, created following the Inclusion Agreement of August 2018. Coordinated by the Welfare function, it includes the active participation of over 70 Group's people representing multiple corporate structures. The aim is to combine the different professional skills with team working, in order to support and enhance all Group employees' contribution in the company. The group periodically meets with the Trade Unions as part of the Welfare, Safety and Sustainable Development Committee to define the initiatives to be undertaken and naturally works in synergy with the Diversity & Inclusion Function. A large number of members of the working group, together with representatives of all the trade unions, already attended the "Disability Manager e mondo del lavoro" (Disability Manager and the working world) higher education course organised by Cattolica University of Milan, receiving certification for the Disability Manager professional role awarded by the Lombardy regional authority. The course lays the foundations for a common language, an important work tool. A dedicated section is available in #People, summarising the Group's commitment to Disability Management, which has led to the birth of many projects, aimed both inside and outside the company: from the analysis of processes to continuously improve the management of individual requests from Group's people, to IT systems access monitoring, from training dedicated to all HR Managers, an important listening and reference point, to the packed schedule dedicated to the life stories of employees with disabilities and clips from managers and teachers with an international profile. The year ended with the organisation of the first internal event "L'inclusione è un gioco di squadra" (Inclusion is team work), which involved a live broadcast with more than 1,000 Group's people, who were able to hear stories from internal and external spokespersons. As part of corporate volunteering activities, the experience of the volunteering network "Clouds of Solidarity" continued. The Guidelines to govern access to company premises by guide dogs, a pioneering initiative in the field, were published. Equally intense is the commitment to the outside world, with the participation in the round table "Abilitiamo la Disabilità" (Let's Enable Disability), in which Intesa Sanpaolo is present with other companies, institutions, associations and non-profit organisations, to discuss the experiences gained, with the aim of investigating, consolidating and spreading a profound culture on Disability Management issues, in addition to several Conventions on the subject. Tangible actions, examples that represent a real network of support and social inclusion, create widespread well-being and put people first.

In addition, the DSA Progress for Work Project, which has seen the company engaged for several years, continued. Following the Dyslexia Friendly Company certification, this year training modules were provided to all Personnel Managers and other HR roles, with the aim of spreading knowledge of specific learning disorders in the workplace, to ensure that these professionals become the first point of contact for Group employees in relation to these issues as well.



Health, safety and well-being of the
Group's people



Health, safety and well-being of the Group's people

RELEVANT ISSUES

Welfare and quality of life in the company	page 170
Company climate	page 174
Health and safety	page 175

WHY THESE ISSUES ARE RELEVANT

The definition of tangible approaches, policies and measures for the development, management and strengthening of a modern and integrated corporate welfare system, which is also key to maintaining high levels of satisfaction for its employees, is of fundamental importance for Intesa Sanpaolo. The programmes adopted to date, also thanks to the numerous agreements signed with the Trade Unions, have made it possible to introduce and consolidate numerous innovative contractual tools, which are able to foster the development of an effective company welfare system and establish a better work-life balance. In addition, since some time Intesa Sanpaolo has also adhered to an Occupational Health and Safety Management System compliant with the most advanced international standards and, in 2021, it implemented it further in order to deal with the COVID-19 epidemiological emergency with the development and the application of an infection risk management protocol aligned with national and international best practices, as certified by the assessment of a certifying body, which rated it with the highest possible level of maturity.

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Projects/Indicators	2021 Actions/Results (cumulative value since the start of 2018)	2021 objectives	
Welfare and quality of life in the company	Smart Working	<ul style="list-style-type: none"> ▪ Approx. 78,000 people eligible for flexible working 	<ul style="list-style-type: none"> ▪ Flexibility programmes to improve staff productivity and satisfaction: smart working extended to 24,000 people in 2021 	
	"Vetrina dei Servizi" Store on #People	<ul style="list-style-type: none"> ▪ Over 500,000 pages visited in 2021; almost 90% of the Italian population used the portal 		
	Consultation and Support	<ul style="list-style-type: none"> ▪ Over 1,700 service accesses in 2021 		
	CareLab/#Stepbystep	<ul style="list-style-type: none"> ▪ Over 487,000 views in 2021 and almost 60% of the population benefited from the digital opportunities presented on CareLab ▪ Approximately 6,600 downloads of the #Stepbystep app dedicated to movement in 2021 		
	ALI (Associazione Lavoratori Intesa Sanpaolo)	<ul style="list-style-type: none"> ▪ Over 160,000 members ▪ Around 5 million euro to support free time initiatives 		<ul style="list-style-type: none"> ▪ Promotion of welfare and work-life balance
	Group health fund	<ul style="list-style-type: none"> ▪ Approx. 152 million euro of intermediate healthcare services net of excesses ▪ Over 210,000 people assisted 		
	Supplementary pension scheme	<ul style="list-style-type: none"> ▪ Over 121,000 subscribers to all Group Funds (Defined Contribution and Benefit) ▪ Approx. 12 billion's worth of assets 		

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Projects/Indicators	2021 Actions/Results (cumulative value since the start of 2018)	2021 objectives
Company climate	Internal climate analysis	<ul style="list-style-type: none"> The climate survey conducted in 2021 registered a Group satisfaction index of 79% (77% in 2019) 	
Health and safety	Injuries	<ul style="list-style-type: none"> At work: 194 While travelling: 332 Employee injury rate: 0.5% 	<ul style="list-style-type: none"> Protecting Group's people health and safety
	Health and Safety Management System Certification	<ul style="list-style-type: none"> The certification attesting to the conformity of the Occupational Health and Safety Management System with the UNI ISO 45001:2018 standard, which covers 100% of the Intesa Sanpaolo branches and buildings in Italy, was confirmed 	
	Health and safety training	<ul style="list-style-type: none"> 37,046 participants in health and safety training; 195,500 hours provided 	

COMPANY POLICIES

In terms of relationships with Group's people, the Intesa Sanpaolo Code of Ethics promotes policies that help foster a better work-life balance; the concrete implementation of this principle takes the form of specific rules in this area. Welfare is a priority area with actions designed to foster motivation and involvement, placing people at the centre with the aim of meeting their needs and those of their families. Accordingly, the meetings between the company and the Trade Unions have often centred on policies to strengthen and fine-tune the instruments that make up the company's welfare package and significantly contribute to improving the work-life balance of Group's people and, as such, also their well-being. Well-being that is also protected through the safeguarding of health and safety in the workplace via increasingly effective measures, as outlined in the Group's Health and Safety Policy and Code of Ethics. The internal regulations establish a System of Duties and Responsibilities, further strengthened to deal with the COVID-19 emergency, in the format of company rules and operating guidelines affecting many different parties - with regard to particular professional skills, i.e. specific corporate functions.

WELFARE AND QUALITY OF LIFE IN THE COMPANY

Intesa Sanpaolo has chosen a corporate welfare model that operates within an integrated system and includes: the supplementary pension scheme, supplementary health care, the Cultural, Recreation and Sports Association for Intesa Sanpaolo Group Employees (ALI), the Intesa Sanpaolo Onlus Foundation, as well as the coordination of the inter-functional group Disability management, the activities relating to the individual and work/life balance and the set of Mobility management activities (see page 201). The company welfare system seeks to address the key issues in order to establish the best possible work-life balance for Group's people and their families. It does this by promoting sustainable solutions and projects consistent with their expectations. The activities are managed and monitored by the Labour Affairs and Policies Head Office Department.

Introduced in 2015, Flexible Working is the smart working model of the Intesa Sanpaolo Group. From the initial phase to its consolidation as an ordinary working method, Flexible Working has gradually involved an ever-increasing number of structures and employees, in 2021 proving to be a winning model in the organisation of work and an effective tool also with a view to business continuity, in the context of the COVID-19 emergency. In order to make it possible to extend Flexible Working also to structures not previously included or with strong operational or technological constraints, Intesa Sanpaolo has accelerated the supply processes of IT equipment and reviewed the organisational processes. With the trade union agreement dated 11 June 2020, the option to join the Flexible working scheme was activated for all Group's people with children under the age of 14, in all roles and/or duties, including in-Branch, providing for the right to use at least one day of remote working from home per week, if requested. At the end of 2021, approximately 78,000 Group's people were eligible for Flexible working.

Another innovative tool is the Time Bank, a reserve of time made available by the company and Group's people so they can provide greater support for employees in difficulty, even for brief periods, and give them more time. It is also an initiative that appeals to our generosity and spirit of solidarity because, in addition to the hours made available by the company, with an initial reserve of 65,000 hours, every person has the possibility of donating some of their leave or holidays to the bank, which the company will then match, up to a maximum of another 100,000 hours in total. This option was extended as part of the renewal of the second-level bargaining agreement in 2021, providing for the possibility of it being used also for assistance to the elderly (over 75 years of age) or dependent persons (family members and relatives within the first degree), and introducing, by way of an experiment, for the 2022-2023 two-year period, a total number of hours to assist spouses, family members and relatives up to the second degree during surgical procedures. In 2021, over 21,000 hours were donated by Group's people, which were topped up with the same number of hours by the company, for an overall total of 116,000 hours.

Within the scope of the International Subsidiary Banks Division, the Banks, by leveraging on the experience of the COVID-19 emergency and with the contribution of internal surveys, launched new projects and flexible working models, in line with the provisions laid down by local laws. More specifically, in 2021, VÚB Banka, CIB Bank, Intesa Sanpaolo Bank Albania and Intesa Sanpaolo Bank Slovenia implemented new flexible working projects and models, while they are in the planning phase in PBZ and BIB. The common threads of these initiatives are the identification of a target number of days to work from home, the redesign of the layout of company office spaces on the basis of the new needs and the extension of flexible working to more people, which at the end of 2021 made it possible to extend the target population to a total of approximately 12,000 employees.

Maternity and paternity support is provided through an excellent company crèche service in Florence, Milan, Moncalieri, Naples, Turin, Brescia and Bergamo, which looks after 330 children, and a network of partner crèches right across Italy.

In 2021, the renewal of the second-level bargaining Group agreement made it possible to consolidate and strengthen the tools designed to provide parental support. Fathers can request specific additional paid leave for the birth of their children, which was doubled starting from April 2021 on the occasion of the harmonisation process of the UBI Group into the Intesa Sanpaolo Group. In addition, fathers are granted a 10% allowance of the sum granted by law for parental leave, and the possibility of taking 10 days of parental leave paid at 30% of their individual gross annual remuneration, additional days of unpaid leave and leave of absence for the illness of a child or for childcare reasons. The series of regulations on parental rights covers specific paid leave to settle children in at crèches or pre-school, to take them to the emergency room, if needed, and extra days of unpaid leave to care for underage children for separated or divorced parents, the exclusive guardians of children, as well as in the cases of widowhood and single-parent families. The size of the cheque that the Company pays to Group's people with disabled family members also increased. The Agreement for the Integration of the UBI Group into the Intesa Sanpaolo Group introduced a series of measures for Group's people under 30 (Youth Package), which include, in addition to the increased employer supplementary pension scheme contribution for the first 5 years from hiring, a "primary residence bonus" and a "child birth bonus" payable within the first 10 years of hiring. On the occasion of the renewal of the Second-Level Collective Bargaining Agreement, a new welfare contribution was introduced for each child up to the age of twenty-four by way of a payment to the supplementary pension scheme position in the name of the same child, also providing for the possibility of using the amount by way of reimbursement through the "Share Capital Account".

With the UBI transaction, the Group's supplementary pension scheme system reaches total assets of over 12 billion euro for over 121 thousand members. As part of the UBI Group integration process, with the signing of specific trade union agreements, the Defined Contribution Pension Fund and the Intesa Sanpaolo Group Defined-Benefit Fund will be used to provide the over 22 thousand members of UBI Pension Funds with the pension benefits provided for by the related articles of association/regulations, investment lines consistent with their risk profile as well as an increase in choice options and in the minimum percentage of the amount paid by the company to 3.75%. In this context, the membership proposal led almost all UBI employees enrolled in other Pension Funds (whether open-ended or category) to sign up to the Defined Contribution Pension Fund of the Intesa Sanpaolo Group. Contribution Pension Funds offer their members a wealth of investment options, allowing them to choose their ideal allocation based on individual needs, including across multiple sectors. Particular attention was then paid to ESG issues. The contribution Fund provides its members with ancillary insurance coverage on particularly favourable terms and conditions. Dependent family members can be registered and the Fund membership can be maintained even upon termination of the employment relationship. The reserved are has been fine-tuned further, allowing members in particular to conduct simulations in order to work out the expected net amount in the event of a claim for advances and services. In relation to the COVID-19 emergency, the Bodies and operating structures of the Group Funds continued to work to maintain and defend the income targets of each sector, with the interventions that became necessary in the interest of its members for the protection of pension savings.

THE GROUP HEALTH FUND

The Intesa Sanpaolo Group Health Fund is an NPO that operates on the basis of cooperative and social solidarity values, appointed to manage supplementary health care services for all Intesa Sanpaolo Group employees, as well as former employees on leave and retired employees who were subscribers and their family members. In 2021, operations fully resumed following the disruptions caused by the pandemic; the services provided are estimated to amount to around 150 million euro. The cancer prevention campaign recorded more than 56 thousand views on the portal. On 5 November 2021, the Fund Founders signed an agreement that reforms the Health Fund and further qualifies its assistance and mutual aid mission. The Mixed Fund Management was set up for self-employed professionals working in Group companies under agency contracts and for pensioners who choose “high risk” health insurance coverage, along with the Protection Fund Management dedicated to prevention. New forms of long-term care (LTC) were introduced to provide support in the event of loss of self-sufficiency in favour of spouses and members who are not beneficiaries of the LTC laid down by the credit National Collective Bargaining Agreement. Significant service improvements were made for members in service as well as for retired members: reduced deductibles under approved network services, higher caps for hospitalisations/surgical procedures, dental treatments, physical/psycho-therapies and ophthalmological expenses. Long-term hospitalisation and medically assisted human reproduction were subject to improved regulations. Solidarity between fund managements was strengthened, thereby allowing more flexible uses of assets in the event of a deficit. The agreement also regulated Fund membership of current and retired employees and retirees from the former UBI Group: approximately 40,000 people considering the members and their respective families.

In 2021 the International Subsidiary Banks Division once again renewed the International Healthcare Programme initiative, which provides a total of over 19,000 international employees with permanent contracts (the cover was also extended to Eximbank during the year), second medical opinions (also extended to spouses and school-age children) and/or medical treatment in top-level health facilities (for employees only) located in foreign countries to those where employees live and/or work. The programme provides assistance in the event of serious illnesses (cancer, transplants, highly complex surgical procedures etc.), covers treatment and complementary service costs (visa assistance, hospitalisation, accommodation for an accompanying person, travel etc.), all transport and accommodation expenses in the foreign country, and reimburses all medical costs borne once back home. Given the travel restrictions imposed by the pandemic, alternative solutions were adopted which in some cases involved treatment in the country of residence.

Since 2014 ALI (Associazione Lavoratori Intesa Sanpaolo) has been the only Group association in the Group Welfare System. ALI proposes aggregation, tourism, culture and sport initiatives and personal services to over 160 thousand members, a figure reached with the integration of the UBI Group. In 2021 as well, the pandemic had an impact on ALI's activities, however some in-person initiatives resumed, with special emphasis being placed on local tourism and cultural proposals for the enhancement and rediscovery of the local territories. ALI set itself the goal of implementing, among other things, various programmes aimed at achieving some of the objectives set out in the UN Agenda 2030. The “Le Foreste di ALI” initiative enabled over 1,400 trees to be planted on the land of nine social cooperatives, generating social and environmental impact (SDGs 8, 10, 13 and 15). With the course on Support Administration, a service was offered to members involved in the assistance of people with disabilities, with a view to promoting social inclusion (SDG 10). In line with the objectives aimed at improving the living conditions and safety of cities and roads and at combating climate change, ALI provides financial contributions for sustainable mobility and to encourage the purchase of public transport passes on the Intesa Sanpaolo Mobility Office (SDGs 11 and 13). In the realm of culture, ALI based the literary contest “RACCONTALI” on the SDGs, inviting members to create stories on the theme “Scegli il tuo Obiettivo e libera la tua storia per un mondo da favola” (Choose your Goal and free your story for a fairytale world), and produced a theatrical documentary “Divina Commedia Criminale” (Criminal Divine Comedy) in homage to Dante's genius. To encourage movement and reduce sedentary lifestyles (SDG 3), the Gympass and Fitprime offerings were expanded with online activities; contributions were disbursed for competitive sports certificates issued by physicians and to sign up for sports or leisure courses and a number of national initiatives such as the Interbank Racing and the Team Tennis Open were resumed. In the context of Personal Services, the psychological support service continued, in collaboration with STIMULUS, along with the free activation of personalised advice on social welfare and educational services: “Welcare Family”, coordinated by Welfare Come Te in conjunction with the wide range of services and contributions dedicated to families with children. With regard to special agreements reserved for Members, the offering was expanded with a focus on products for COVID-19 protection and on food products (Destination Gusto) and at Christmas, gift cards were offered to Members to choose from among those proposed by ALI leading partners.

Through the Intesa Sanpaolo Onlus Foundation, work continued to combat the economic and social hardship of employees, former employees and retirees of the Group in objective and proven situations of difficulty, support for the right to education continued to be provided to disadvantaged students, along with the provision of selected PhD scholarships in humanities. Uninterrupted support also continued to be provided to Third Sector Entities which, with targeted projects, operate directly in the area of solidarity and welfare in favour of the most fragile categories. The sum set aside by the Board of Directors in 2021 came to around 2.5 million euro, and included a significant allocation for initiatives such as canteens and dormitories for the poor and needy.

PEOPLE CARE

People Care confirmed its relevance, also in light of the close correlation with ESG issues and the continuing pandemic situation, placing well-being support and the improvement of the Group's employees' quality of life at the centre of the actions undertaken, in full consistency with the 2018-2021 Business Plan. As in previous years, the activity was based on the "Service Model" with four pillars: enhancement of the offering of services to the people within the company, active consultation and analysis of the needs of company employees, monitoring of the leading companies in People Care systems, implementation and development of the offering of new services. In particular, efforts were focused on Vetrina dei Servizi and CareLab, platforms with initiatives designed to live well-being experiences in response to personal and professional needs which, together with the Consultation and Support service, aim to bring out people's full potential, increasing their involvement and satisfaction and, consequently, productivity. Once the structure of the well-being service offering was completed in 2021, starting from 2022 People Care will also promote well-being in the physical dimension of the company spaces, in full keeping with the Next Way of Working project. Specific initiatives will then be launched to promote the importance of adopting well-being as a lifestyle among the company population, also and above all through the use of all the practical tools made available by the company, such as dedicated apps and platforms. Thanks to the technology at the service of people's well-being in the company and the benefits generated by CareLab, Vetrina dei Servizi and Consultation and Support, at the end of 2021 Intesa Sanpaolo was awarded by the Brandon Hall Group - a research and analysis company with the mission to enhance excellence in organisations around the world - a silver medal in the Best Advance category in Corporate Well-being Technology at the 2021 Technology Excellence Awards. In the pandemic context, where distance and isolation reinforced the need for support, the aim was to strengthen CareLab, the platform entirely focused on well-being available free of charge for the entire Group since May 2020, with over 500 published objects, educational content, initiatives and services and twenty-six webinars, also available on demand, held with experts and spokespersons on all aspects of well-being (nutrition, movement, energy and emotional well-being and caregiving). The implementation of tools and services to support the adoption of "good practices" in daily life was completed: 4Fooding, the web App with recipes, menus and a team of nutritionists for the improvement of daily eating habits, the 21days web App to train habits promoting well-being and generate energy, positivity, concentration and time for self-care and ABCcare, the platform dedicated to the care of frail elderly people, with the assistance of a team of professionals and personalised online services. These new services complement the existing ones: the online gym, a platform with a rich schedule of live and on-demand lessons with expert and qualified trainers for the whole family of Group's people and #Stepbystep, the App that encourages movement and a healthy lifestyle, which in July 2021 launched a brand-new release with more engaging graphics and features to ensure greater interaction and initiate team building initiatives. Tailor-made initiatives were also launched to meet the specific needs of certain Group structures in the wellness area. Consultation and Support, a psychological support service available since March 2020 for all Group's people in Italy, was extended to the Group's international subsidiary companies in 2021: it is currently available at the corporate branches in London, Paris and Frankfurt, but further openings are planned. The service, designed to provide immediate, professional and confidential support to deal with times of difficulty and work on one's inner balance and personal well-being, is totally free of charge and is accessible through various methods, by telephone and via the dedicated web platform. In addition, the training course, launched at the end of 2020, entitled "Ascolto del disagio: l'ascolto attivo come strumento di supporto e gestione dei colleghi in difficoltà" (Listening to hardship: active listening as a support and management tool for employees in difficulty), intended for personnel working in human resources, with teaching provision from the A. Gemelli Postgraduate School of Psychology of Cattolica University of Milan, was implemented and concluded at the end of 2021, involving 136 people with different managerial roles. The course was preceded by webinars within the HR School, involving around 400 employees. In 2021 the activities relating to Vetrina dei Servizi focused on its extension to new perimeters. Priority was given to former UBI employees following the integration. Now the platform, which hosts all the services dedicated to

people with a global view and responds to their needs, and which can also be viewed by personal and professional life cycle, is also being extended to other employees of the various Group companies, such as in the insurance domain, who are subject to a contract type other than the banking one. The portal was therefore improved in terms of its functionalities in order to allow a view of the services available by cluster of people who are entitled to them.

Within the scope of the International Subsidiary Banks, the initiatives launched in 2020 during the COVID-19 emergency period and aimed at mitigating the effects of stress and promoting employee physical and mental well-being, as well as maintaining a sense of belonging, continued both at the Division Head Office level and at the local level. Among the various proposals, 3 Masterclasses and 12 practical sessions from 3 disciplines (Movement, Face Yoga and Pilates) were held with certified instructors, focused on posture, flexibility and concentration, which involved 465 people belonging to the Head Office and to the 11 international Banks.

COMPANY CLIMATE

The Intesa Sanpaolo Internal Communications Service is responsible for developing a common culture based on corporate values and fostering the sense of belonging of employees. An integrated system which, as well as the structured consultation of Group's people, is made up of instruments like the Intranet, Web TV, Mosaico, Mosaico International and the interComm App which foster the continuous sharing of information, engagement, the sharing of objectives and active participation in changes. These tools played a crucial role in guiding the integration of UBI employees through constant information on the various stages of the process and the messages conveyed by the top management. A key moment was the Climate Analysis, which detects, every two years, the perception of the Intesa Sanpaolo Group's people, in Italy and abroad, with quantitative tools. The 2021 climate analysis was conducted in July, with the methodological consultancy and operational support of a third-party company which guarantees the total anonymity of the survey respondents and which, for the first time, also gave the opportunity to blind people to participate in the survey online through the provided screen reader. Three peculiar aspects characterised the 2021 survey:

- the first 6 questions of the questionnaire were dedicated, similarly to what was done in 2017 in preparation for the previous Plan, to a collection of ideas and key words "Insieme per il Piano d'Impresa 2022-2025" (Together for the 2022-2025 Business Plan);
- it was the first Climate Analysis since the onset of COVID-19: the results of a benchmark reveal that in Italian banks, and in all Italian companies, between 2019 and 2021, a positive effect was paradoxically recorded on the working environment concurrently with the pandemic; in particular, in times of difficulty and hardship, people were more appreciative of the mere fact of having a job, a salary, colleagues and bosses, as well as an orderly organisation;
- in Intesa Sanpaolo, this positive effect was mitigated by another event with a negative impact on company climate: the integration of UBI. Even with previous mergers it was found that the impact takes 6-12 months to be absorbed.

The results of the survey showed that in Italy 62.3% of people in the Professional Areas, Middle Managers and Executives answered the questionnaire, and 55.7% in the International Subsidiary Banks, with a Group satisfaction index of 79%. Intesa Sanpaolo's people confirm their satisfaction with their relationship with colleagues and, compared to 2019, the ratings on their relationship with bosses, salary, bonuses and prestige increased. They also have the perception of an increasingly secure workplace that is a source of pride. They share the company's vision and culture, are proud to work for it and confirm their appreciation for their direct bosses and the top management. Only one point of attention was raised: excessive bureaucracy/inflexibility. Structured listening - as a tool for supporting the Top management and the company structures with regard to issues and specific requirements or project activities - is not just limited to the internal Climate Analysis. This year as well, the listening activities and projects (feedback, surveys, focus groups, interviews, etc.) in Italy and abroad, amounted to over 60 and involved almost all the employees of the Governance Areas, Divisions and companies of the Group in Italy.

HEALTH AND SAFETY

The Safety and Protection Department is responsible within the Group for overseeing health and safety activities. Intesa Sanpaolo has adopted and successfully implemented an Occupational Health and Safety Management System identifying, within its organisational structure, responsibilities, procedures, processes and resources for implementing its policy on the protection of Group's people. With this in mind, the Health Surveillance and Psycho-Social Risks Office was set up to guarantee ever greater monitoring of activities relating to occupational medicine (health surveillance, accident and occupational disease analysis, health emergency management), as well as psycho-social risks. In particular, the methodologies and experimental tools for the analysis and assessment of emerging risks relating to technostress, cognitive overload and ageing developed in 2019/2020 as part of the Health and Safety 4.0 Project, were further refined and tested on a sample of approximately 2,500 Group's people. The results of the test were presented during a seminar organised by the Intesa Sanpaolo Innovation Center Neuroscience Lab in collaboration with the Safety at Work and Environment Head Office Department and Scuola IMT Alti Studi Lucca.

With the aim of enhancing the health and safety protection of its people, since 2017 the Occupational Health and Safety Management System has undergone an annual audit by an independent third party which certifies its compliance with current legislation and industry standards (UNI ISO 45001:2018). The responsibilities and methods associated with the implementation, maintenance, monitoring and improvement of the Occupational Health and Safety Management System (OHSMS) are outlined in the Process Guide - Compliance Management - Management of Occupational Safety Regulations, updated in 2018 and currently under review. The Guide was produced with the goal of reducing the possibility of any harmful event occurring that impacts people, the environment and relevant external parties, monitoring risks in the operations of the company and external businesses involved in the company's activities, and gradually improving the Group's performance in occupational health and safety. The risks to the health and safety of Group's people are evaluated according to a multidisciplinary approach, considering the combined effect of the working environment, processes and equipment as well as the subjective conditions of workers. The health and safety risk management process comprises the following phases:

- identification of dangers and their classification;
- risk assessment;
- identification and preparation of prevention and protection measures and procedures;
- definition of an action plan as part of a programme to guarantee the improvement of safety levels over time, with the identification of the competent company structures;
- realisation of the planned measures as part of the programme;
- definition of worker information and training programmes;
- monitoring of the implementation of the programmes and checks on the application and effectiveness of the measures adopted;
- management of residual risks.

Intesa Sanpaolo (as Employer) – with the collaboration of the Head of the Prevention and Protection Service and the Occupational Health Doctors and following the consultation of the Workers' Representatives in charge of Safety - drafts and updates the Risk Assessment Document which contains, among other things:

- identification of dangers and their classification;
- specification of the prevention and protection measures implemented and the individual protection equipment adopted following the assessment;
- the programme of measures considered appropriate to ensure that safety levels improve over time;
- an outline of the procedures for the implementation of the measures, as well as the company roles responsible for this.

The assessment and the associated document are updated on the basis of technical developments as well as significant changes to the production process and organisational structure of the company that may impact on the risk exposure of workers. This commitment was fulfilled in 2021 as well, with the updated document provided to all Group's people. Following a 2016 union agreement the Group's Worker Safety Representatives (WSR) were elected. Their areas of responsibility are defined on a geographical basis. The representation currently consists of 112 people, including those from UBI Banca, who account for almost 100% of employees. Every year dedicated training activities for Group's people are held to update the WSR. The new trade union agreement of 14 April 2021 confirmed the WSR structure and, on this basis, new elections were held for the WSR (96) who will be operating from 1 January 2022. Thanks to this series of activities it was possible to make the procedures for consultation and participation in the overall health and safety management system fully operative, as established by the regulations.

THE MANAGEMENT OF THE COVID-19 EMERGENCY IN THE COMPANY

In 2021 as well, the risk assessment was strongly impacted by the COVID-19 pandemic and the consequent implementation of the biological risk assessment: the ongoing analysis of the constantly evolving national legislation - to which full compliance was always guaranteed - was crucial. For the assessment of the risk during the pandemic, the Safety and Protection Department relied on the Group's Occupational Health Doctors coordinated by the Director of the Occupational Medicine Unit of Asst Fatebenefratelli Sacco and by the Coordination Director of the Occupational Medicine Outpatient Unit of the Azienda Universitaria Ospedaliera Città della Salute e della Scienza di Torino. Moreover, for the aspects relating to plant and environmental conditions and protection systems, it relied on the professors of the Department of Public Health Sciences of the University of Turin and of the Department of Medical and Surgical Sciences of the University of Bologna.

The assessment and the consequent mitigation measures are adopted in full compliance with national and regional regulations, they refer to international (WHO, ECDC) and national (ISS, INAIL) guidelines and indications and adhere to the content set out in the "Shared regulatory protocol of measures to combat and contain the spread of the COVID-19 virus in the workplace" signed between the Government and company members (for the banking sector, reference is made to the "Shared Protocol" between ABI and the Trade Unions).

This gave rise to the need to update the "Risk Assessment Document" (DVR) to keep track of the actions implemented. Among other things, the assessment made use of the INAIL methodology ("Technical document on the possible remodulation of measures to contain SARS-CoV-2 infection in the workplace and prevention strategies").

The Occupational Health and Safety Management System, headed by the Employer, is an integral and decision-making part of the Emergency Unit set up to deal with the COVID-19 emergency in accordance with the Crisis Management Model (MOGC). The pandemic risk is already among the scenarios envisaged by the model (Business Continuity Guidelines). In this context, in order to monitor the level of epidemiological risk, a contagion monitoring model was set up with weekly reports in support of decision-making. These factors make it possible to react promptly and, where possible, preventatively with respect to the provisions set forth by the legislator in the evolution of the crisis and allow the definition of increasingly stringent measures to anticipate the evolution of the epidemiological situation.

Extraordinary human and financial resources were made available for the implementation of the action plans, with over 20 qualified physicians supported by two coordinating physicians with whom internal measures were developed to limit the spread of the virus, along with protection initiatives for vulnerable people and for the management of COVID-19 cases.

The main actions are set out below:

- Organisational measures: to ensure the reduction of personal contacts and social distancing, according to the "zoning" rules (red, orange, amber zones), the measures put in place included specific closures and reopenings of offices, flexible working hours and shifts, extended flexible working from home and the digitalisation/remote working for employees; for customers, a system of restricted admissions was introduced, with specific appointments, the definition of essential transactions to be performed face-to-face and the extension of multi-channel services; specific access management procedures for suppliers and consultants, with interference evaluation; the per capita space available to all staff was increased with dividers and fewer workstations, the conditions for the formation of gatherings were eliminated, providing precise rules and prohibitions for meetings, events and access to company canteens, as well as specific rules and restrictions for mobility to and from areas at greatest epidemiological risk in terms of transfers and missions, the control system was strengthened.
- Behavioural and training measures: hygiene practices and codes of conduct were introduced by informing and empowering personnel through appropriate signs, guidelines, videos, infographics and links to reliable and corporate websites.

In order to serve as a training and information measure, a section dedicated to COVID-19 is available on the home page of the company intranet, which collects the regulations issued, the material produced by the WHO, ISS and other authoritative institutional and health sources, guidelines for safe flexible working, guidebook on the perception and management of the COVID-19 risk, manuals for the management of work environments and the behaviours to be followed during work activities, infographics, videos and information series on how to care for health and digital work management. In addition, courses were provided in relation to the protocol for the management of antigen tests at the Group's offices and travel security rules for personnel travelling abroad. In line with the Italian Banking Association-trade unions shared protocol for "measures to prevent, contrast and contain the spread of the COVID-19 virus", all

face-to-face courses were suspended. Since September, in-person classrooms have resumed solely for occupational health and safety courses that require practical activities to be conducted, while the other courses were reorganised to allow for remote provision.

- **Technical measures:** specific instructions were defined for environmental hygiene, including daily cleaning and deep cleaning of workplaces, sanitisation according to ministerial guidelines and management of air treatment systems; aids such as health equipment and Personal Protective Equipment (PPE) were provided, also differentiated on the basis of specific needs (face masks for deaf people), plexiglass screens, etc. according to principles of rationality and progressiveness and setting up different kits according to the locations open to the public, the need to liaise with customers and internal activities. The Company Emergency Plan was also revised, along with intervention and first aid procedures, the cover of employees in the branches and in head office department buildings and the safe organisation of the annual evacuation drill both for fire prevention at all the Group's offices, and for earthquake drill in the offices located in seismic zones 1 and 2.

- **Medical measures:** the support of Occupational Health Doctors was enhanced to minimise the impact of new cases in the company, identify the personnel to be placed on leave, provide general medical information to all personnel and evaluate readmission to the workplace. A guided system was put in place for the entry of COVID-19 related reports, with the reporter being requested to provide the information strictly necessary for the management of the case and immediate feedback on the report, containing the indication of any abstention, the instructions for the necessary obligations to be fulfilled and information for the safety of employees and family members: the system allows for the acceptance and first management of reports relating to presumptive or confirmed positive results following diagnostic tests, flu-like symptoms and contacts. A management process of cases was introduced with a precautionary and anticipatory approach through the epidemiological analysis of local zones with the identification of areas at greatest risk, the analysis of possible, likely and confirmed cases on leave or sick leave and the identification of close contacts to be placed on leave. Measures were introduced to protect vulnerable personnel in the event of an infection, placing people with a certificate of disability in accordance with art. 3, paragraph 3 of Law 104/1992, with oncological pathologies or diseases involving immunosuppression or undergoing life-saving therapies and Group's people deemed to be fragile following an evaluation by a qualified physician under the Exceptional Health Surveillance regime, pregnant and breastfeeding women on leave (with the exception of flexible working from home). Psycho-social support interventions are available, with specialist psychological debriefing activities for working groups affected by COVID-19 cases, psychological support interventions for infected people and consultation and support initiatives for all personnel. Within the international scope, during the COVID-19 emergency and in 2021, the health and safety officers of the International Subsidiary Banks and of the Group's international structures were involved in the dissemination of the management protocols relating to the actions to be taken in accordance with the epidemiological development in the different contexts, as well as the dissemination of the Group standards and the specific local requirements of each country. Despite the variety of situations to be dealt with, the creation of the network of specialist representatives, in particular in the 11 subsidiaries of the International Subsidiary Banks Division, operating since 2019, and the use of collaboration areas for the timely sharing of updates and communications contributed to the management of the pandemic also at an international level.

Furthermore, the set of protocols adopted and the measures implemented in the different epidemiological scenarios were subjected to the evaluation of an independent third party.

Finally, with the collaboration of the company RBM Salute, a campaign was implemented to carry out rapid antigen tests with geographical coverage in 24 Group offices, from January to June 2021, which were accessed on a voluntary basis by the employees identified by the Safety and Protection Department and by Occupation Health Physicians upon the occurrence of certain scenarios and following triage activities. The antigen screening campaign involved 26,000 employees.

UNI ISO 45001:2018 CERTIFICATION FOR OHSMS

The certification attesting to the conformity of the Occupational Health and Safety Management System in compliance with the UNI ISO 45001:2018 standard was confirmed in 2021. The audit activities were based on a representative sample of branches and sites and involved the main head-office structures, branch employees, occupational health doctors, Worker Safety Representatives, and maintenance and cleaning company staff. The certification obtained covers all of the Intesa Sanpaolo branches and buildings in Italy. The certifying body also assessed the level of application of the infection risk management protocol implemented by Intesa Sanpaolo with respect to the requirements of the MyCare® model. The assessment rated it with the highest possible level of maturity, certifying that the infection risk prevention model adopted by the Bank is in line with national and international best practices, not only for the reference financial sector. A level of maturity equal to 5 confirms the significant commitment and contribution dedicated to the infection risk management issue by all the Bank's people, regardless of their organisational position.

INTEGRATION OF FORMER UBI BANCA EMPLOYEES

Following the incorporation of the former UBI Banca Group, steps were taken to conduct a survey into the Risk Factors relating to the workplace through inspections, and to update the scope of responsibility of Occupational Health Physicians, Radiation Protection Experts and Persons in charge of asbestos conservation. The training courses on occupational health and safety carried out at UBI were also evaluated and implemented, analysing any gaps in learning and preparing a consequent remedial plan, in compliance with anti-contagion provisions. From the point of view of the positions for the management of the emergency, the tasks present within UBI were incorporated and integrated: for the Coordinators of the emergency teams of the main management buildings, specific information meetings were organised to illustrate in detail tasks, responsibilities, supporting tools and personnel in the performance of the activities assigned to the role.



Transition to a sustainable, green and circular economy

Transition to a sustainable, green and circular economy

RELEVANT ISSUES

Loans and services for a sustainable, green and circular economy

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Green and sustainable culture and initiatives

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WHY THESE ISSUES ARE RELEVANT

The European Union is strongly committed to combating climate change and, to accelerate the transition towards a sustainable economy that contributes to reducing emissions, the European Commission presented the European Green Deal in 2020, proposing an investment plan that involves the mobilisation of at least 1,000 billion euro of sustainable investments in the next ten years. The EU's efforts in this area are further underlined by the Recovery and Resilience Facility, which provides subsidies and loans subject to the presentation of national recovery and resilience plans (NRRP) in which 37% of spending is allocated to the climate. During the 2021 United Nations Climate Change Conference (COP26), the Glasgow Financial Alliance for Net Zero (GFANZ), whose members include 450 financial institutions from 45 countries, declared that it was ready to deliver 100 thousand billion dollars to help economies become carbon neutral over the next three decades.

Intesa Sanpaolo has long been committed to supporting the transition to a low carbon economy through direct actions to mitigate its own emissions and green initiatives and projects for the benefit of its customers. To this end, Intesa Sanpaolo has allocated a 6 billion euro credit line for circular economy projects and a 2 billion euro credit line for S-Loans, which reward businesses for achieving specific sustainability targets; the Group has also made 76 billion euro available to support the Green Economy, the Circular Economy and the ecological transition as part of its commitment to supporting the National Recovery and Resilience Plan (NRRP). Finally, in October 2021 Intesa Sanpaolo joined the Net-Zero Alliances promoted by the United Nations with the aim of achieving the ambitious goal of Net-Zero emissions by 2050.

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Project/Indicator	2021 Actions/Results	2021 objectives
Transition to a sustainable, green and circular economy	Loans and services for the Green and Circular economy	<ul style="list-style-type: none"> Loans disbursed for the Green and Circular Economy: around 8.7 billion euro disbursed, equal to 11.2% of total loans (2.9% in 2020) Circular Economy credit line: 5.5 billion euro disbursed in 2021 (7.7 billion euro disbursed since launch of credit line) 	<ul style="list-style-type: none"> Supporting the green economy 6 billion euro credit for companies that adopt the circular model using innovative methods
	ESG-Linked loans for SMEs: S-Loan	<ul style="list-style-type: none"> In July 2020 Intesa Sanpaolo allocated a credit line of 2 billion euro (~1.3 euro billion granted since launch, of which ~1.2 euro billion in 2021) for S-Loans designed to help SMEs finance projects aimed at improving their sustainability profile The product range was expanded in April 2021 with S-Loan Diversity, in July with S-Loan Climate Change, and in November with S-Loan Agribusiness and S-Loan Turismo. All S-Loans have subsidised interest rates, subject to the annual monitoring of 2 ESG KPI, to be reported in the borrower's financial statements. The new S-Loan Climate Change and S-Loan Agribusiness products can benefit from the 80% SACE green guarantee 	<ul style="list-style-type: none"> Supporting the sustainable economy

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Project/Indicator	2021 Actions/Results	2021 objectives
Transition to a sustainable, green and circular economy	Green bonds	<ul style="list-style-type: none"> A 1.25 billion euro Green Bond, focused on green mortgages for the construction or purchase of properties with energy efficiency class A or B and for redevelopment work on properties that leads to an improvement of at least two energy classes, was issued in March 2021 	<ul style="list-style-type: none"> Supporting the green economy
	Green and sustainable culture and initiatives	<ul style="list-style-type: none"> ESG Lab initiative: a physical and virtual meeting point for guiding Italian businesses through the sustainable transition. The first ESG Lab was opened in Brescia in late September and the second in Padua at the end of November 	

COMPANY POLICIES

Intesa Sanpaolo has always believed that banks must play an active part in driving the transformation of the local economic and social context. For this reason, conscious of its role and systemic nature, for some time it has been at the forefront of efforts to accelerate the transition towards a low carbon economy and meet global climate targets.

In addition to the direct actions it takes to reduce its energy consumption and mitigate its emissions, it also extends its commitment to retail and business customers with specific credit lines and the expansion of its range of sustainable and responsible investment products.

With this in mind, to support the European Green Deal and the National Recovery and Resilience Plan (NRRP), the Group has pledged to provide a 76 billion euro programme of disbursements dedicated to the Green Economy, the Circular Economy and the ecological transition in Italy over the coming years. The Bank has also been very supportive of businesses, issuing various credit lines: 6 billion euro for the Circular Economy, in collaboration with the Ellen MacArthur Foundation, of which Intesa Sanpaolo is Strategic Partner; 2 billion euro for the Sustainability Loan, dedicated to the sustainable transformation projects of SMEs. The S-Loans have a subsidised interest rate, subject to the annual monitoring of ESG KPI reported in the financial statements of the funded company.

However, financial resources alone are not enough to enable the sustainable transformation of businesses; the development of a new business culture focused on sustainability and the acquisition of specific skills is required. For this reason, the Group aims to leverage both on the skills it has acquired in training activities to support the development of ESG and sustainability knowledge and expertise among the management and employees of businesses, and on engagement activities to help companies in their path towards sustainability. To this end, the Bank promotes a pioneering initiative that combines a dedicated online training platform and customised training and support programmes, drawing on the finest expertise available in the area, with ESG labs, strategic partnerships and surveys.

Finally, in terms of funding, in 2017 Intesa Sanpaolo was the first Italian bank to issue a Green Bond. Valued at 500 million euro, it was introduced to fund renewable energy and energy efficiency projects. Others have followed in subsequent years: in 2019 a 750 million euro Green Bond was issued to fund Circular Economy projects, and in 2021 a 1.25 billion euro Green Bond was launched to finance Green mortgages for the construction or acquisition of high energy efficiency properties. These are joined by the €500 million Green Bond issued in 2019 by merged company UBI Banca for the financing of renewable energy investments.

LOANS AND SERVICES FOR A SUSTAINABLE, GREEN AND CIRCULAR ECONOMY

In 2021, the Group's loans for the Green and Circular Economy came to around 8.7 billion euro, equal to 11.2% of the Group's total loans. During 2021, 1.2 billion euro were disbursed thanks to S-Loan, designed to support SMEs seeking to improve their sustainability profile.

GREEN ECONOMY

In 2021 the Group's disbursements for the Green Economy totalled around 6.1 billion euro (over 28 billion euro in the 2010-2021 period).

The offer involves all customer segments: retail customers (37.4%), businesses and Third Sector (6.3%), corporate & project finance (56.3%).

PRODUCTS AND SERVICES FOR RETAIL CUSTOMERS

The Bank supports the green projects of its retail customers through the granting of mortgages and loans for environmental purposes.

The financing solutions are not only aimed at those who want to purchase or build an energy efficient property but also at those who want to improve their energy efficiency through, for example, the replacement of fixtures and high-performance boilers, the purchase of environmentally-friendly vehicles and the installation of solar and photovoltaic panels.

The Bank proposes Green - Mutuo Domus: a subsidised mortgage (reduction of the APR and free energy certification for renovation purposes) which makes it possible to purchase and build a residential property in Italy with a high energy efficiency class (equal to or higher than B) or to renovate a residential property in Italy improving its energy performance rating by at least one class.

In 2021, around 14,000 green mortgages of a total value of over 2.2 billion euro were issued.

With this in mind, Intesa Sanpaolo participated in EeMAP (Energy efficient Mortgages Action Plan), a European initiative that aims to create standardised European energy efficient mortgages with a view to encouraging the redevelopment of buildings and the purchase of energy efficient properties thanks to preferential financial conditions.

Special conditions were also introduced in the loans area for the XME Prestito Giovani product for environmentally-aware customers who want to improve the quality of their properties with energy redevelopment measures.

Around 6 million euro of green loans was granted in 2021.

The range of green solutions has been enriched with a series of dedicated services, some of which provided by partner companies. These additional and optional services help to assess the possible savings that can be made through energy redevelopment measures, for example. They include the Valorizzazione Immobiliare service which, via a specific tool, enables branch managers to support customers who intend to invest in their homes through energy redevelopment measures and restructuring works, identifying, free of charge, possible ways of reducing their energy consumption and, if possible, benefitting from tax breaks. It is also possible to perform an energy check on the home, benefitting from special conditions. This check takes the form of a personalised consultancy service consisting of an inspection in which the individual components and energy characteristics of the building are examined in detail in order to determine the potential savings that can be made with the house. Intesa Sanpaolo offers those planning to carry out renovation works - families, condominiums or specialist businesses, for example - a special structured solution so they can benefit from the subsidies introduced by the Italian "Rilancio" Decree (converted into Law no. 77 of 17 July 2020).

This Decree raises the tax deduction level to 110% (the so-called "superbonus"), usable over five years or recoupable through the transfer of tax credits, for all energy redevelopment expenses incurred on the building for the performance of works such as insulation, the replacement of boilers with centralised condensation systems and heat pumps, including hybrid or geothermal systems.

Intesa Sanpaolo's modular solution is based on the purchase of the tax credit at a fixed price set at the outset as a function of the type of the tax credit, the optional PerTe Ecobonus bridge-loan to start the work, without having to wait for offsetting against tax liabilities (with an undertaking to repay this advance by transferring the tax credit to the Bank), and the option of benefitting from free advisory service in identifying and gathering the technical and administrative documentation required to issue the approval, where applicable. PerTe Ecobonus also makes it possible to finance other measures that benefit from tax deductions of less than 110% (Ecobonus/Sismabonus and other construction tax bonuses), and more specifically energy efficiency projects, the installation of photovoltaic systems, the installation of electric vehicle charging columns and the adoption of anti-earthquake measures.

Among the insurance products that aim to cover customers' insurance needs in the Family, Health and Property

areas, the XME Protezione insurance policy focuses on protection against natural disasters, providing coverage for the damage caused by atmospheric events such as floods and cloudbursts. The coverage will reimburse up to 80% of the customer's property value. Over 140,800 XME Protezione policies with flood coverage had been taken out at the end of 2021.

In the area of motor insurance products, the ViaggiaConMe policy offers a usage-based solution which encourages policyholders to use their vehicles responsibly, reducing their premiums if they lower their mileage (monitored using a device installed in the car).

Lastly, following the environmental disasters and extraordinary weather events that affected Italy also in 2021, the Intesa Sanpaolo Group continued its tangible and concrete commitment to supporting the households and businesses affected, focusing specific attention on agricultural companies - penalised more than anyone else by exceptional weather events - through the activation of dedicated credit lines, new subsidised loans for redeveloping damaged structures (homes, shops, offices, artisan workshops and businesses), suspensions of payments on outstanding loans and preferential, simplified and expedited procedures for the new instruments.

In particular, underling its close bond with the areas in which it operates, and to provide the communities and the economic fabric in affected areas with support in dealing with emergency situations, during the year the following credit lines were launched: 30 million euro for the province of Catania and 15 million euro for the province of Ragusa, affected by extreme weather in October; 20 million euro for the fires that hit Sicily in August and 50 million euro for the fires in Sardinia in July; 50 million euro to support the areas affected by extreme weather in northern Italy in July (Como and the Region of Veneto); 20 million euro to support the agricultural businesses damaged by the June hailstorms in the Oltrepò Pavese.

PRODUCTS AND SERVICES FOR SMALL AND MEDIUM-SIZED ENTERPRISES

To support small and medium-sized enterprises that aim to improve their sustainability profile and with the goal of assisting them on a path of structural change, associating their economic and financial decisions with their environmental and social impacts, Intesa Sanpaolo has launched the ESG-Linked S-Loan. This loan involves the sharing of sustainability performance improvement goals by businesses, through precise commitments undertaken with the Bank via specific KPIs subject to annual monitoring, certified by the businesses in the notes to their financial statements, and rewards in the shape of special conditions, with rate reductions awarded to businesses that meet their fixed goals. The product is activated through the signing of a covenant based on the choice of two KPIs from a wide selection of possible initiatives. In 2021, 69.8% of businesses chose an Environment-related KPI.

Important new features were added to the solution in 2021 with new KPIs dedicated to customer goals and new associated products. Joint-stock companies interested in improving their ESG profile can choose from five different products on the basis of their sustainable development goals. In particular:

- S-Loan ESG, with six KPIs for the 360° improvement of sustainability performances regarding: the procurement of renewable energy or bioenergy and the introduction of a procurement policy that takes account of Environmental considerations; activities to support the community organised on the basis of a multi-year programme and the development of programmes to engage customers and/or suppliers in sustainability issues, for the Social area; training activities for employees on environmental/social sustainability and the development of welfare programmes to improve the well-being of employees, for the Governance area;
- S-Loan Diversity, with four different KPIs for promoting gender equality and the role of women in the socio-economic context: promotion and launch of initiatives and good practices for facilitating and improving female participation in the community; launch of initiatives to drive up female employment rates in companies; definition and implementation of internal policies designed to guarantee gender equality in the business context; introduction of corporate welfare programmes for female employees which promote equal opportunities;
- S-Loan Climate Change, which offers six KPIs for developing the company business in an environmentally-friendly way, investing in projects designed to combat climate change and reduce the company's emissions. The new KPIs regard the procurement of renewable energy, the introduction of "Green Procurement Policies", the achievement of Carbon Neutrality, respect for the standards of sustainable construction and sustainable architecture, the conversion of fleets through the introduction of vehicles with reduced environmental impact and the launch of initiatives to protect and restore biodiversity;
- S-Loan Agribusiness, which includes six KPIs for joint-stock companies in the sector interested in protecting themselves against the risks of climate change and in taking advantage of the opportunities that derive from the adoption of more sustainable business models. The KPIs are focused on the specific needs of agrifood industry businesses and regard the reduction of water consumption, the transition towards organic farming models, quotas of company vehicles and/or farm vehicles with reduced environmental impact, the adoption of Agriculture 4.0 solutions for saving energy and/or reducing water consumption, the quota of electricity and/or heat energy self-produced using renewable energy systems and finally the adoption of technologies and

- processes for the traceability of products;
- S-Loan Turismo, based on six KPIs for joint-stock companies in the tourism sector, such as the purchase of electricity from renewable sources or bioenergy, the reduction of energy consumption, the quota of company vehicles with reduced environmental impact, the redevelopment/construction of real estate to respect sustainable construction standards, the reduction of water consumption, the achievement of Carbon Neutrality with regard to the company's activities (Scope 1 and 2).

Intesa Sanpaolo allocated a 2 billion euro credit line for the S-Loan as part of the 76 billion euro dedicated to the Green Economy. At the end of the year 715 projects had been funded for a value of around 1.2 billion euro.

An initiative was launched on For Funding, the Intesa Sanpaolo crowdfunding platform, to identify charity projects to support with donations connected with the sale of sustainable products, encouraging the same companies to make donations in turn. For every S-Loan taken out, Intesa Sanpaolo donates 200 euro to a good cause.

In addition, with regard to the type of loan chosen, the S-Loan solution can be associated with the main government guarantees: Guarantee Fund, SACE Italy Guarantee and SACE Green Guarantee. The agreement with SACE for the granting of loans with Green Guarantees is designed to support joint-stock companies with investment projects related to their environmental goals (as per EU Regulation 852/2020).

More specifically, joint-stock companies with a minimum risk rating and turnover of no more than 500 million euro are granted medium- to long-term loans of up to 15 million euro with a duration of between 36 months and 20 years and an 80% guarantee issued by SACE.

The products which can be combined with the S-Loan Climate Change and S-Loan Agribusiness loans and which represent solutions for professionals and businesses that wish to launch investment programmes in the energy sector include the Energia Impresa loan, available since the end of 2020, a particularly flexible solution both in terms of the personalisation of the loan and its adaptability to various segments: the Renewable Energy sector (photovoltaic, wind energy, hydroelectric energy, residual gas from purification processes); Biogas, for the production of electricity; Biomethane, for the production of biomethane for transport; Energy Efficiency measures, for energy efficiency investments in buildings, plants and processes.

Also added to the catalogue in August 2021 was the MLT Loan with SACE Green Guarantee, which can also be combined with S-Loans. The medium/long term loan is designed to support the achievement of environmental goals, financing initiatives or activities to facilitate the transition to a clean and circular economy, integrate production cycles with low emissions technologies for the production of sustainable goods and services, and accelerate the transition to sustainable and smart mobility. The SACE guarantee equates to 80%.

One distinctive feature of the business solutions is the support of MLT/Leasing Specialists who evaluate the technical/financial aspects of the investment and its relative sustainability, also requesting the assistance of the Energy & Utilities Desk, where necessary, in the project origination phase, in the structuring of the loan, in the technical due diligence phase, which is preceded by an appraisal - usually performed by an external consultant specifically appointed according to the regulations in force - to support the Bank's credit assessment, and in the formulation of the final opinion on the technical, economic and financial sustainability of the project. The Energy & Utilities Desk, composed of a team of professionals from the sector, provides assistance for entrepreneurs who have planned investments in renewable energies or who intend to diversify their energy sources, assessing their projects from a technical and business perspective and evaluating the financial sustainability of the investment: a comprehensive service that ranges from credit consultancy on risk assessment and the structuring of the most suitable financial solutions, to advice on new market opportunities and technology trends in the area of new energies.

PRODUCTS AND SERVICES FOR CORPORATES

The IMI Corporate & Investment Banking Division (IMI CIB) continues to pursue its commitment to sustainability, promoting innovative financial solutions that respond to the growing need for products more in line with ESG criteria. During the year it assisted and supported businesses with sustainable strategic plans and investments for the transition towards a green and circular economy.

Support for the sustainable transition is provided thanks to the activities of the ESG Team IMI CIB, created in 2020 and made up of professionals with complementary knowledge, expertise and experience, to propose domestic and international Corporate customers a wide and integrated range of products and services.

The financial offer includes the main ESG solutions: Sustainability-linked and solutions with income tied to specific capex which make it possible, depending on the circumstances, to use the Bank's dedicated Circular Economy credit plafond. In particular, in terms of sustainability-linked solutions, in 2021 the Group supported its customers with loans, bonds, guarantees, securitisations and hedging activities, while the operations with tied income include Green loans, Green, Social and Sustainability-linked bonds, as well as Project Finance dedicated to the world of renewable energy (wind, photovoltaic, biomass, hydroelectric).

In 2021 the Division participated in numerous green, circular and sustainability-linked financing operations

(bilateral and syndicated). More specifically, the Bank acted as Sustainability/Green Coordinator in different syndicated lending operations such as those of TIM, Tod's, Arvedi, FS and Lavazza. As mandated by the ASTM Group (management of motorway networks under concession), Intesa Sanpaolo covered the roles of Sustainability Structurer Bank in the issuing of the Sustainability-Linked Bond and Structurer of the Sustainability Linked Framework, respectively.

In April 2021 the Division participated in the issuance of the first Italian green BTP, of a total amount of 8.5 billion euro, as Structuring Advisor and Lead Manager of the Department of the Treasury – MEF, and acted as Structurer of the relative Framework.

All in all, the IMI Corporate & Investment Banking Division participated as Bookrunner in the issuance of 45 SDG-linked Bonds, Green Bonds, Social Bonds, Sustainability Bonds and Transition Bonds in the Euro market in 2021.

In terms of innovative solutions, in 2021 IMI CIB finalised sustainability-linked securitisations with some customers, linking the pricing with sustainability indicators consistent with the ESG goals the companies have set themselves.

The Division participated in syndicated loans also with financial institution counterparties, including some banks from Turkey, a country in which the issue of sustainability is becoming of increasing strategic importance, structuring sustainable-linked operations.

CIRCULAR ECONOMY

The Circular Economy offers new opportunities for the world of business (including financial institutions) and contributes to guaranteeing lower risk and greater medium to long-term competitiveness for the economy. The Circular Economy promotes a systemic transition towards an economic development model that transforms the mechanisms of creating and accessing value, with positive impacts not only in terms of the environment. The circular model is based on the redesign of industrial processes and business models to generate economic and competitive advantage for companies, with a regenerative approach towards natural capital. Its objectives include the generation of a virtuous cycle in the use of resources, overcoming the linear model which involves extraction, production, sale and waste.

The Intesa Sanpaolo Group confirmed its commitment to the Circular Economy by promoting the spread of the model, drawing on the support of the Ellen MacArthur Foundation, the main promoter of the global transition towards the Circular Economy. In fact, it continued to collaborate with the Foundation, of which Intesa Sanpaolo is Strategic Partner, with a new 3-year agreement for the 2022-2024 period. Intesa Sanpaolo will continue to redefine business strategies in an innovative way, ensuring financial support for investments to facilitate the redesign of the industrial system. This activity is considered to be of primary importance for the Group and represented a strategic pillar within the 2018-2021 Business Plan.

The transition to a Circular Economy continued also thanks to the contribution of the Intesa Sanpaolo Innovation Center, a Group company which oversees all Circular Economy activities.

The Circular Economy Lab (hereinafter, CE Lab) was launched in 2018 (and renewed in 2020) thanks to a Framework Agreement between Intesa Sanpaolo, Fondazione Cariplo and Cariplo Factory with the goal of supporting and assisting the transformation of the Italian economy and disseminating new models of value creation in the collective interest, accelerating the transition to the Circular Economy. The CE Lab strategy involves open innovation operating methodologies aimed at identifying innovative solutions and technologies in the area of the circular economy and its relative activities are now based on these three pillars:

- the promotion and spread of the Circular Economy culture at national and international level through events and networking platforms with the involvement of external stakeholders and partners;
- innovative training programmes aimed at businesses, with the aim of supporting the updating of the circular economy business culture;
- the acceleration of the circular transformation through Circular Economy advisories for SMEs and Corporate businesses.

In order to provide concrete support to companies involved in the transition process, over the course of the 2018-2021 Business Plan the Intesa Sanpaolo Group decided to offer a credit line of up to 5 billion euro, increased by 1 billion euro in 2020 following the operation with UBI, aimed at Italian and international companies which adopt the circular model with innovative procedures, granting the best conditions for accessing credit. Since the launch of the credit line, 7.7 billion euro has been disbursed (including 1.2 billion euro of Green Mortgages to retail customers), 5.5 billion euro of which in 2021.

In 2020 the credit line was also made available to the International Subsidiary Banks Division, which in 2021 made use of it in both the Circular Economy and Green areas to the tune of around 22 million euro, over 19 million of which for SMEs, with 21 transactions carried out by 6 banks in the division and 2 million euro

connected with a deal for the Corporate segment.

Over the years a tranche of the credit line has also been allocated to support businesses that invest in the production of renewable energy, energy efficiency and sustainable farming and biodiversity, while another tranche has been dedicated to Green Mortgages for the acquisition of new energy-efficient homes (class B and above) or the redevelopment of homes with consequent improvements in the energy efficiency class.

As regards the credit process, on the basis of specific Circular Economy criteria defined together with the Ellen MacArthur Foundation, the Intesa Sanpaolo Innovation Center is responsible for providing a technical assessment on the level of circularity of the initiatives proposed by businesses. More specifically, the circular eligibility criteria are as follows:

- Solutions that extend the product life or cycles of use of goods and materials (application of modular design; implementation of reverse logistics programmes; reuse, repair and regeneration or reconditioning of products);
- Production processes fuelled by renewable energies and products made up of renewable or recycled resources;
- Products and/or services that significantly increase effectiveness in the consumption of resources, inside the company or its supply chain (adoption of industrial symbiosis principles and realisation of an integrated supply chain that turns waste into resources; implementation of cycle closure models and application of eco-design principles and systemic design; creation or promotion of a supply chain based on circular economy principles);
- Design and/or manufacture of products that can be fully recycled or composted within an efficient framework of collection, separation and recycling after use (compostable products, recyclable products);
- Innovative technologies that enable circular business models (Internet of Things to empower traceability services, reverse-logistics and/or predictive maintenance; use of additive manufacturing/3D printing to increase the easy-to-repair degree and the materials efficiency; Big Data analytics, Artificial Intelligence, and Cloud Computing aiming at dematerialisation services and/or marketplaces development for secondary raw materials).

As regards the tranche for green projects, the criteria used to access the credit line and for which the Innovation Center provides an assessment are:

- Renewable energies and in particular investments in production, transmission, infrastructure and associated assets, such as solar, wind, bioenergy/biomass and hydroelectric energy;
- Energy efficiency, for example new investments and maintenance in infrastructure, technologies and services that contribute to reducing energy consumption and/or increasing energy efficiency; construction and redevelopment of new energy-efficient buildings;
- Sustainable management of natural resources and the soil, biodiversity; sustainable farming and urban greening projects.

Out of a total of 800 applications from Corporate customers, reviewed by the Innovation Center since the launch of the credit line, around 300 projects with circular criteria and valued at over 3.9 billion euro and around 100 projects with green criteria valued at more than 2.6 billion euro had been funded by the end of 2021.

Support has been provided for numerous company projects for activities such as the replacement of critical and fossil fuel materials with recycled or organic materials, the reuse of urban organic waste for the production of biomethane and compost and the recovery of CO₂, the revamping of renewable energy plants with the extension of their lifetimes and the increase in their production capacity, and the recovery of industrial waste for its reuse in new product lines.

In order to disseminate and share these criteria within the Bank, an online training course targeted at over 50,000 Group's people has been organised and updated. Training activities also continued in 2021, producing the following results: over 400 Group's people were involved in specific in-depth analysis activities; 20 learning objects were developed; over 450 students participated in circular lectures. With regard to the Banks of the International Subsidiary Banks Division, during the year 5 online sessions were held for the Managers and Relationship Managers of the Corporate&SME functions. The training sessions, which involved around 200 people from the Division's Banks, sought to raise awareness of Green and Circular Economy criteria also through the sharing of Group success stories with the end goal of facilitating the transition to Circular Economy models in the countries in which the Division operates.

During the year, the experimental assessment of businesses along their value chain also continued (over 100 businesses have been interviewed since the start of the initiative) with the use of the Circular Economy Standard, an instrument used to measure the level of circularity; 12 in-depth webinars on Circular Economy issues were also held for businesses in collaboration with the Regional Governance Centres and the IMI CIB Division, and as part of the ESG Workshop initiative (see page 189).

With regard to start-ups (see page 106), 2021 saw the continuation of the Startup Initiative which selects the most promising innovative start-ups, provides them with coaching on approaching the market and introduces them to the stakeholders of the innovation ecosystem. The selection process integrates the circularity criteria in the overall assessment. An Italian start-up in the bioeconomy sector was heralded as Circular Economy success story.

In the area of partnerships and collaborations, the meetings of the Alleanza Italiana per l'Economia Circolare (Italian Alliance for the Circular Economy), promoted by Intesa Sanpaolo, also continued. The Alliance consists of 17 large and medium-sized Italian companies and, since 2017, has sought to reinforce existing collaborations and propose new projects between companies in order to promote the transition to the Circular Economy in the various production chains, while also involving Italian and European institutions. Four journals were produced in 2021, one of which specifically on the topic of the Circular Economy and Finance.

To spread the culture of innovation in the area of the Circular Economy, the Group also continued to support the BioCircE Master's (the first Italian Master's qualification in this area).

In 2021 the Circular Economy Lab, in collaboration with other partners, launched a national Hackathon on the Circular Economy, involving 25 universities, 8 businesses and 400 university students.

The partnership with Bocconi University for research into the Circular Economy, geared towards validating the theory of de-risking financial portfolios both at individual counterparty and portfolio level, also continued. The Circular Economy and Finance research project scientifically analysed this issue by focusing on some of the opportunities available in terms of de-risking circular assets, generating superior risk-return combinations and the ability to stabilise performances over time.

As part of the partnership with the Ellen MacArthur Foundation and Bocconi University, the white paper "The Circular Economy as a de-risking strategy and driver of superior risk-adjusted returns" was published in September. Involving the expert contribution of the Intesa Sanpaolo Innovation Center, the paper was the subject of a series of meetings attended by members of the European Commission during which the results of the study and the Group's Circular Economy strategy were presented.

With regard to the initiatives of the European Commission, Intesa Sanpaolo continued the activity it began in 2017, regularly participating in the work of the expert groups for the financing of the Circular Economy.

In 2021 UNEP FI launched a new initiative to promote the best circular economy practices in the banking sector and Intesa Sanpaolo, through the Intesa Sanpaolo Innovation Center, actively contributed to the working group which concluded its activities in mid-December with the publication of "The Guidance on Resource Efficiency and Circular Economy Target Setting" report as part of the Principles for Responsible Banking.

Since 2019 the Intesa Sanpaolo Innovation Center has been a member of the UNI 057 Technical Committee which works on the definition of circular economy voluntary certification standards. During the year it contributed to the drafting of a technical specifications document that includes a circularity assessment, available as of early 2022.

GREEN BONDS

Intesa Sanpaolo was the first Italian bank to issue a green bond, and this has been followed by three further issues for a total of 3 billion euro.

The first issue was a 500 million euro Green Bond in 2017 connected with environmental sustainability projects. The commitments undertaken by Intesa Sanpaolo were defined in Guidelines (Green Bond Framework) aligned with the Green Bond Principles of the ICMA (International Capital Markets Association), as confirmed by an independent audit performed by an external ESG research and analysis company. The Green Bond obtained a Second Party Opinion on the bond issue (Robust ESG performance) and a Moody's assessment, where it was awarded the highest score (GB1 Excellent).

To support loans and projects for the Green Economy, the Circular Economy and the social sphere, in November 2019 Intesa Sanpaolo, on the basis of the Sustainability Bond Guidelines (Sustainability Bond Framework - developed in line with the international standards established by the ICMA, in particular with the Green Bond Principles 2018, the Social Bond Principles 2018 and the Sustainability Bond Guidelines 2018), issued the first 750 million euro Circular Economy Green Bond to support loans granted by the Bank as part of the 6 billion euro credit line dedicated to the Circular Economy. The second Green Bond also obtained the Second Party Opinion of ISS ESG when issued. In March 2020 the Intesa Sanpaolo Group was the winner of the 2020 Environmental Finance Bond Awards for its issuing of a Green Bond focused on the Circular Economy. UNEP FI (the United Nations Environment Programme Finance Initiative) also recognised Intesa Sanpaolo's commitment to spreading the values of the circular economy in its report "Financing Circularity: Demystifying Finance for the Circular Economy", published in October 2020, which makes particular mention of the Green Bond focused on the Circular Economy.

In April 2019 UBI Banca also issued a 500 million euro Green Bond to refinance a select project finance

portfolio in the renewable energies sector, focused essentially on solar and wind energy; the issue was carried out as part of a Framework drafted in accordance with the guidelines of the ICMA: the security acquired the Second Party Opinion of ISS-oekom.

At the start of 2021 Intesa Sanpaolo published a new Green, Social and Sustainability Bond Framework (aligned with the ICMA Green Bond Principles - 2018, ICMA Sustainability Bond Guidelines - 2018 and ICMA Social Bond Principles - 2020) which establishes a list of eligible categories for green, social and Circular Economy funding for which the proceeds of the issues may be used.

In March 2021 Intesa Sanpaolo placed a new Green Bond of a face value of 1.25 billion euro, aligned with the new framework. Proceeds will be used to cover green mortgages issued for the construction or purchase of high energy efficient real estate (energy class A or B) or the redevelopment of buildings with a consequent improvement of at least two energy efficiency classes¹. The Green Bond obtained the Second Party Opinion of ISS ESG when issued.

Thanks to this most recent issue, the Green Bond Ratio, the percentage of outstanding green bonds at the end of the year out of the total amount of outstanding Senior Preferred, Senior non Preferred and Covered Bonds intended for institutional investors (five-year moving average), is equal to about 8%.

In March 2022 the new Green Bond Report on the four Green Bonds issued so far was published [\[1\]](#).

The new report sees a switch to the "Portfolio approach" which, rather than reporting on the allocation of the proceeds and the environmental benefits of each loan, through to the coverage of the complete amount of the bond, estimates the impacts and benefits obtained for the entire portfolio of admissible loans for each of the green categories.

By observing the average forecast impact per million euro financed, it is also possible to calculate the number of tonnes of CO₂ avoided as a direct result of the acquired bond.

Green Loans Portfolio			Intesa Sanpaolo Green Bonds	
Admissible categories	Total ² (€)	GHG emissions avoided (tCO ₂ eq) ³	ISIN	Amount (€)
Renewable Energies	1,965 mln	1,456,300		
- Photovoltaic	1,543 mln		XS1636000561	500 mln
- Wind	242 mln			
- Hydroelectric	122 mln			
- Bioenergy	57 mln		XS1979446843	500 mln
Energy efficiency	120 mln	92,900		
Green Mortgages	2,625 mln	52,700		
- Energy class A	1,919 mln		XS2317069685	1,250 mln
- Energy class B	569 mln			
- Renovations	137 mln			
Circular Economy	1,418 mln	3,950,000	XS2089368596	750 mln
Total	6,128 mln	5,551,900		3,000 mln

1 APE (Attestato di Prestazione Energetica - Energy Performance Certificate)

2 Only the outstanding loans admissible for each category.

3 Emissions avoided per portfolio of admissible loans. For the method used to calculate emissions see page 9 of the Green Bond Report 2021 [\[1\]](#).

GREEN AND SUSTAINABLE CULTURE AND INITIATIVES

Numerous initiatives have been put in place to spread an environmental culture among employees and customers (for Circular Economy initiatives and training, see page 186), including:

TRAINING AND ENGAGEMENT

Multimedia platform Appendo was once again the main tool used for sharing content on environmental topics with employees in 2021; the various modules available were used by over 38,000 employees for a total of around 7,300 hours.

As regards environmental protection issues, two mandatory courses are available on the online Appendo platform for employees directly involved in the application of the Environmental and Energy Management Systems (over 6,000 people). For all other people an optional course is available with the aim of spreading good environmental practices. The course was also made available to employees of Intesa Sanpaolo Vita, Intesa Sanpaolo Assicura and Fideuram Vita who occupy the properties that attained ISO 14001 certification.

Similarly, in order to improve knowledge of ESG issues and develop new skills, in addition to those already acquired for ISO 50001 certification, CIB Bank (Hungary) began providing its employees with teaching programmes and training courses on this topic. A course on climate change and energy efficiency was also organised for all international banks through until the end of 2021 with around 30 colleagues from all Banks taking part.

Meanwhile, in Italy work began on the production of an “Energy Newsletter”, available on the Bank intranet, with the aim of engaging and increasing the interest of all colleagues on the topic, particularly those that manage energy aspects in their daily work activities.

The European Regulatory & Public Affairs (ERPA) function also carried out internal training initiatives to raise awareness among employees on environmental issues under discussion with European regulators. The Brussels structure provided training and consultancy for various central and business structures of the parent company, as well as for Group companies active in Italy and abroad. The meetings focused on the ambitious goals of the European Green Deal and more specifically the most relevant legislative dossiers for the Group, such as Sustainable Finance and the “Fit for 55” package of sectorial measures to reduce emissions.

As part of the mandatory “30 hours” training course at Eurizon Capital SGR, two courses were held on the Circular Economy and active share ownership engagement connected with ESG factors, involving over 90 people. Another six people followed the courses on the risks and opportunities connected with Climate Change and compliance with sustainability reporting, organised by the Italian Internal Auditors Association.

Eurizon also held various advanced training courses, in particular the “MBA: Innovation, Enterprise and Circular Economy” at Bradford University and the SCR Certificate in Sustainability and Climate Risk at the Global Association of Risk Professionals.

Intesa Sanpaolo is also committed to developing a sustainability-based business culture in customer companies: this is a key step for guiding them towards an economic transition that is not only sustainable from a financial perspective; to increase the knowledge and skills that customer businesses require in this area, a project was developed that involves both a dedicated online platform and custom training and support programmes, taking advantage of internal skills and external partnerships.

In 2021 Intesa Sanpaolo Formazione continued to develop digital training activities dedicated to businesses through the Skills4Capital training platform, with the goal of supporting the growth of businesses, developing skills and taking advantage of the opportunities that arise in a continuously evolving market. By registering on the platform, it is possible to access training content and, out of the 468 learning objects available, 113 are dedicated to the topics of social and environmental impact.

Intesa Sanpaolo Formazione also designed Skills4ESG, an initiative designed to raise awareness of ESG issues via a customer portal, a single access point for ESG training topics with a range of dedicated content, news and success stories on ESG and sustainability, presentations of Group initiatives on sustainability issues with social, environmental and governance impact, and additional training services (e.g. advanced training courses, one-to-one training courses, multi-business workshops).

The ESG Lab initiative was developed in 2021, a physical and virtual meeting point for accompanying Italian businesses during the sustainable transition, a development course designed to support long-term growth with positive impacts on the environment and people. The Lab promotes discussion and raises awareness of ESG topics among businesses and supply chains through in-depth meetings and workshops, with the aim of helping customers take their first steps towards initiatives that improve their sustainability profile with positive repercussions on business development. The first ESG Lab was opened in Brescia in late September, the second in Padua at the end of November, and more openings are scheduled during 2022.

Again with the aim of helping to raise awareness of environmental issues among business customers, in June 2021 a climate change survey was launched for all business customers to understand their position and associated future prospects. The goal of the questionnaire is to analyse, in particular, issues such as exposure to climate change, adaptation strategies and mitigating actions, as well as other quantitative data. The first results of the Climate Change survey reveal a desire to invest in mitigating actions and to receive support from the Bank. Priority action areas regard the definition of strategies and the implementation of investment plans, but also processes and systems for monitoring/offsetting emissions, while financial support, consultancy on mitigation actions and strategies, protection strategies and training are expected from the Bank. Thanks to the evidence collected it is possible to understand the priorities of the customer base and their level of maturity in facing challenges and taking advantage of opportunities with regard to climate change.

In 2021 Intesa Sanpaolo launched the third edition of “Imprese Vincenti”, the programme which sees Italian SMEs enrolled in promotion, visibility and development support courses, consultancy courses on strategic skills, training activities and workshops; the 2021 edition of the Digital Tour consisted of themed stages that represented the cornerstones of the National Recovery and Resilience Plan (NRRP); in particular, the sixth stage was dedicated to the topic of ESG and Sustainability and the importance of their integration in the strategies of businesses to enhance their competitiveness and growth, as underlined by new Project Partners Nativa and Circularity, who contributed their content and expertise in this area.

PARTICIPATION IN ASSOCIATIONS AND DEBATES ON ENVIRONMENTAL SUSTAINABILITY ISSUES

The Group continued to make an important contribution to the international debate on environmental sustainability issues in 2021.

With regard to the issue of direct environmental impacts, the Bank continued to participate in the working group of the Italian Banking Association (ABI) on Green Banking, which provides an insight into the processes relating to energy and environmental management in the Bank according to the main international standards. Going into more detail, in 2021 the attention was focused on the application of Legislative Decree no. 102/2014 in the presence of UNI 50001 standard certification, which involves the simplification of the 4-year obligation to perform energy audits. The annual review of the ABI Lab Guidelines on the application of the GRI Standards in banks was also performed with particular focus on the emissions of the company fleet.

In terms of sustainable finance, the Group's collaboration with the Italian Banking Association (ABI) continued and intensified within specific working groups, particularly in relation to issues connected with the European Action Plan for financing sustainable growth and the national circular economy strategy. The “Sustainable Loans – Supporting businesses in the process of transition towards sustainability” project, an initiative designed to contribute to the process of integrating ESG factors (particularly Environment and Climate Change) in the management of the risks connected with corporate lending, came to a conclusion and a working group for the development of a Handbook on the Circular Economy was set up in which Intesa Sanpaolo plays an active role. The Group also worked on the definition of a new agreement with Confindustria, signed in October 2021, called “Competitività, Innovazione, Sostenibilità” (Competitiveness, Innovation, Sustainability), the goals of which include supporting businesses in the ecological transition process.

At the European level, Intesa Sanpaolo interacted with legislators, trade associations and various stakeholders to promote and represent the Group's various initiatives on environmental and social sustainability. Intesa Sanpaolo, through its office in Brussels, brings its best practices to the attention of regulators and represents the specificities of its context so that they are taken into consideration during the legislative process.

The Group also continued its collaboration with the main European trade associations, contributing to the work of the European Banking Federation (EBF) on the Sustainable Finance and Sustainable Development Goals (SDGs), the Association for Financial Markets in Europe (AFME), European Issuers, in the area of Sustainable Corporate Governance, and the European Mortgage Federation – European Covered Bond Council (EMF-ECBC), which launched the Energy Efficient Mortgages Initiative (EEMI); this initiative, which has received funding from the European Commission for specific projects in recent years, aims to create an energy efficient mortgage market and gather empirical data on mortgages. Intesa Sanpaolo joined in 2021 and sits on the working groups. More specifically, in 2021 a representative of Intesa Sanpaolo was appointed Deputy Chairman ECBC for the 2022-23 two-year period in the area of green mortgages.

In general, Intesa Sanpaolo helped outline the sector's position in some of the main documents (legislative and non-legislative) published in 2021. In June 2021 the Bank participated in the drafting of a report on the contribution of banks to the SDGs and presented its best practices to European banks at the presentation event organised together with the United Nations.

In 2021 Intesa Sanpaolo actively participated in the three working groups of the European Financial Reporting Advisory Group (EFRAG) with the main goal of identifying good corporate reporting practices, as regards both

the financial impacts of climate risk on companies and the impact of corporate activities on the environment ('double materiality'), taking account of the needs of users and those who produce the reports. More specifically, an Intesa Sanpaolo representative contributes to the work of the EFRAG on the "Sustainability Reporting Standards" it has been appointed by the Commission to draft for the EU, and on the "Advisory Panel on Intangibles (API)", through which it will provide the EFRAG Technical Expert Group with its accounting and industry expertise on specific aspects of intangibles. Finally, thanks to the Group's active positioning work on European issues, a Group person was appointed member of the EU Ecolabel board, which is also working on the definition of criteria to extend the EU Ecolabel to financial products.

Studi e Ricerche per il Mezzogiorno (SRM) is a Group's research centre aimed at disseminating economic knowledge and culture, with a particular focus on the development of southern Italy, Maritime Economy and Energy. In 2021 SRM participated in numerous national and international meetings and seminars (held online and in hybrid form) on the environment, the Green Economy, the Blue Economy and sustainability, expanding its ability to analyse these phenomena. SRM, among other things, is also part of SOS LOG, the association for the development of sustainable logistics, whose mission is the dissemination of information, research and initiatives aimed at spreading the culture of sustainable transport and logistics.

As Founding Member of Res4Africa, Intesa Sanpaolo confirmed its commitment to the development of renewable energy in Africa. The Foundation, which includes some of the main players in the Italian and European energy sector, has the aim of promoting a market, regulatory and financial context that allows investments to be made in renewable energy on the African continent. As well as the usual organisation of business-to-government events and seminars, the development of market studies and the organisation of capacity building seminars and field projects, in 2021 the Foundation focused in particular on the development of the RenewAfrica renewable energy support programme.

In 2021 Intesa Sanpaolo also became the first Italian bank to join the Climate Investment Platform (CIP), which brings together public and private sector financial institutions to support the development of renewable energy projects all over the world, facilitating the energy transition and supporting developing countries in the definition of sustainable energy policies. The CIP platform was born from the partnership between the United Nations Development Programme, the Sustainable Energy for All organisation, the Green Climate Fund and the International Renewable Energy Agency (IRENA), the biggest intergovernmental organisation for the energy transition which collaborates with 163 member states, including the European Union. Intesa Sanpaolo will provide the CIP, member states and participating organisations with the benefit of its international experience, its relationships in major capital markets and its assistance to make ESG projects bankable.

In 2021 Intesa Sanpaolo was the first Italian bank and one of the first six in Europe to be admitted to the European Commission's European Clean Hydrogen Alliance (ECHA). The Clean Hydrogen Alliance aims to create the foundations for the broad deployment of technologies linked to the production of hydrogen from renewable or low carbon emission sources by 2030, periodically bringing the continent's most important industrial and financial players together in working groups and forums. With the support of the initiatives organised by the Alliance, the European Union intends to take on global leadership of the sector with the aim of maintaining its commitment to achieving carbon neutrality by 2050.

Intesa Sanpaolo is Energy & Strategy partner of Milan Polytechnic for a number of Studies focused on market trends and technology development in the areas of renewable energy production, hydrogen production and the national electric market.

STUDIES

The Group's commitment to the development of study and research projects in the environmental and social fields continued in 2021. Listed are some of the most important publications:

- The seventh Report on the Bioeconomy - The Bioeconomy in Europe - produced by the Intesa Sanpaolo Research Department. As well as presenting new forecasts on the value of the bioeconomy, the Report also includes a geographical analysis and a close look at bio-based chemicals;
- Energy transition: the supply chain of renewable energy technologies in Italy - by the Research Department. This sectorial study, dedicated to technologies used to produce electricity from renewable sources, highlights how the high level of competition in Italy is crucial at this time of increasingly heavy investment;
- The thirteenth Economics and finance of the industrial district report - drafted by the Research Department. The Report contains an analysis on "Environmental sustainability in the districts between investments and technology" which explores the patent activities of industrial district businesses with regard to the environment and the production of renewable energy in the districts;
- The Annual Italian Maritime Economy Report 2021 – produced by SRM. This publication focused on

sustainability and the Blue Economy and was presented in Naples during an international conference as well as at numerous other national and international events; this research continues to be an important reference source on the topic for institutions, industry operators, trade associations, infrastructure and the academic world. This year's lead topics included Green Ports, the NRRP and sustainability, regarded as key drivers for combating the pandemic and making the country's logistics system stronger, more resilient and more competitive. In 2021 studies were also carried out with ALIS - Associazione Logistica dell'Intermodalità Sostenibile (Logistics Association for Sustainable Intermodality) - on how to reduce external logistics costs, and Contship (multinational in the logistics sector) on the container sector, which highlighted how the sustainability of logistics is a key driver in the development of manufacturing businesses;

- The 2021 Report on Energy in the Mediterranean by the Mediterranean Energy Observatory, developed by SRM together with the Energy Security Lab (ESL) of Turin Polytechnic. The Report focuses closely on the application of hydrogen and associated technologies, as well as the relationships between hydrogen investments and port development projects; the document was presented during an event in Brussels attended by MEPs and European stakeholders of the Group;
- The research study series "Un Sud che Innova e Produce" (A South that Innovates and Produces) – produced by SRM. The series was enriched with a new study on "Environment and Territory: value and prospects of the bioeconomy supply chain" dedicated to environmental issues and the bioeconomy. In particular, the study focuses on the Environment (following Agrifood, Clothing-Fashion, Automotive and Aerospace) and its close link with the theme of development. The research was carried out with the contribution of the Intesa Sanpaolo Research Department. It also addressed the synergic relationship between the technology transition and the environmental transition from a territorial perspective.

EVENTS AND INITIATIVES

In order to raise the awareness of environmental issues among customers and employees, the Intesa Sanpaolo Group participates in various initiatives aimed at increasingly spreading the culture of sustainability and good practices as widely as possible. The main international events in which the Group participated in 2021 were World Environment Day promoted by UNEP (the United Nations Environment Programme) - this year dedicated to protecting ecosystems - and European Week for Waste Reduction, promoted by the European Commission. Intesa Sanpaolo promoted both events by disseminating both internal and external communications via the company intranet, the ATM network, the company website and Group's social media profiles. To mark World Environment Day, an informative online meeting was held together with the Intesa Sanpaolo Innovation Center on the topic of climate change. Targeted at Group personnel, the meeting was also accessible externally via the Bank's social media platforms.

Intesa Sanpaolo promoted the launch of the RI-PARTY-AMO project, developed in partnership with WWF and Jova Beach Party 2022, which aims to mobilise the entire country with the goal of protecting coastal zones and other critical areas of Italy's environmental heritage, raising 5 million euro. RI-PARTY-AMO aims to raise awareness and mobilise the young, schools, families, businesses and entire communities through a programme of activities, carried out in collaboration with the WWF, in three key action areas. First of all, volunteers will be involved in Cleaning Days all over Italy to clean up beaches and coastlines but also the banks of rivers, lakes and natural inland areas, with particular attention focused on plastic pollution. These will be followed by meetings and workshops at 12 Italian universities and the organisation of workshops for younger school children.

The Bank will publicise the fundraising project on its channels, including the For Funding platform, and make donations directly, also through the involvement of various Group companies; to date, both Intesa Sanpaolo Life and Eurizon Capital have signed up for the project. Jova Beach Party 2022, the musical event starring singer Jovanotti and sponsored by Intesa Sanpaolo, also promotes the fundraising project with Jovanotti fans requested to make donations when purchasing their tickets for the event.

Held in collaboration with the WWF, the "Diamo una casa alle api" project, designed to safeguard these pollinating insects, came to a close in September 2021. The project planned to create areas in the WWF Oases for the feeding of the pollinators, Bee Hotels to position in gardens, urban parks and Oases to facilitate nesting and a number of camera traps to record the habits of the bees. As well as promoting the project on the Group's crowdfunding platform, For Funding, Intesa Sanpaolo contributed by donating 30 euro for every Green mortgage issued and 10 euro for every Green loan granted up until 30 September 2021. A total of 480,000 euro was raised for the project, over 450,000 euro of which thanks to the donations of the Bank.

In addition, for many banking products acquired by customers online, Intesa Sanpaolo donated one euro to the projects hosted on For Funding as part of the FORMULA Programme, to reward virtuous behaviour that contributes to reducing atmospheric CO₂ emissions. The Group companies can also contribute with donations, associating them with customer purchases of ESG-related products (Intesa Sanpaolo Life participated in 2021). In October 2021 the Bank renewed its support for Forestami, an urban forestation project that aims to plant 3

million new trees in the Metropolitan City of Milan by 2030 thanks to the contributions of its supporters; in 2021 Intesa Sanpaolo made a new one-off donation of 180,000 euro which was joined, also for this project, by a donation from the Bank for each Green Mortgage and Green Loan taken out by the Bank's customers between 1 October and 31 December 2021. (the donations will be finalised in 2022). Thanks to the donations that the Bank has made since the launch of the project in 2020, Intesa Sanpaolo will contribute to the planting of 14,000 trees, bringing the project closer to its final goal of a total of 3 million trees.

With the aim of generating an environmental, social and occupational impact, and in accordance with the values of its Code of Ethics, the Associazione Lavoratori Intesa Sanpaolo (ALI), together with some of its members, planted over 1,400 trees on the lands of nine social cooperatives in nine regions of Italy, launching an environmental project that will also involve its members, who will be able to contribute to planting additional trees. The "Foreste di ALI" initiative was developed in collaboration with zeroCO₂, an Italian benefit corporation that promotes sustainability through high social impact reforestation projects, while the planting activities were carried out by various agricultural and social businesses, which contribute by providing employment and promoting the inclusion of economically disadvantaged people.

In 2021 the Banca dei Territori Division launched a number of initiatives to improve its sustainability profile. Around 150 distinct practices were undertaken independently by the individual local structures, including talent enhancement activities, inclusion practices, the launch of projects dedicated to supporting and developing local communities, the flexible management of customers in difficulty and the raising of internal awareness around virtual meeting technologies. The goal of this phase is to identify the best practices with the biggest impact, to be subsequently extended to the entire Division. The dialogue with local structures, together with the implementation of various specific actions (such as the S-Loans for helping to guide customers towards making a positive impact, the internal ESG newsletter to create a "Purpose Driven" culture, the replacement of vehicles in the company fleet with greener models), have made it possible to significantly improve the sustainability profile of the Banca dei Territori Division.

As for the International Subsidiary Banks, they were involved in various international and local initiatives aimed at raising awareness of environmental issues among employees and other stakeholders. In particular, 9 banks participated in the United Nations World Environment Day: Bank of Alexandria (Egypt), Banca Intesa Beograd (Serbia), CIB Bank (Hungary), Eximbank (Moldova), Intesa Sanpaolo Bank Albania, Intesa Sanpaolo Bank Romania, Intesa Sanpaolo Bank (Slovenia), PBZ (Croatia) and VÚB Banka (Slovakia). Also in 2021, the latter, in collaboration with the VÚB Foundation, launched Atlas, the first Slovakian award for ecology and the conservation of nature. This first edition of the award involved 117 projects, divided into 6 categories: biodiversity, climate change and protection of the air, awareness, ECO start-ups, green economy and best local self-administration project. Identified with the support of an expert jury, the winners were announced on Earth Day on 22 April.

In 2021 over 20 webinars were held for corporate customers on ESG and Climate Change topics, generating great interest and widespread participation among customers.

The IMI Corporate & Investments Banking Division also organised various events on sustainability during the year, including:

- "Sustainable infrastructure: a common good. The National Recovery and Resilience Plan (NRRP) and new social, ecological and economic models for recovery in Italy", organised with the aim of generating dialogue between institutions, public entities, business and finance to identify strategies to make Italy more efficient, competitive and attractive, taking advantage of the opportunities offered by the NRRP;
- Three "Sustainability Path" webinars designed to support the training and tutoring of medium-sized businesses that want to embark on a growth path in the area of sustainability;
- Various webinars with ESG content, such as "ETF ESG" and "Building Innovation. Applying the circular economy to the built environment".

Thanks to the partnership with Borsa Italiana (Sustainable Finance Partnership), the Division participated in various workshop and initiatives, including the flagship event "Digital Sustainability Week".



Climate change



Climate change

RELEVANT ISSUES

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WHY THESE ISSUES ARE RELEVANT

Climate change is an extremely important phenomenon. As well as its consequences and repercussions on the planet's ecosystem, the constant increase in global temperatures due to the growing concentration of greenhouse gases in the atmosphere is also impacting on the economic and social dynamics of present and future generations.

The United Nations Climate Change Conference (COP 26), held in Glasgow in November 2021, recognised the importance of a rapid and substantial reduction in greenhouse gas emissions in order to limit global warming to 1.5°C compared to pre-industrial levels, regarded by the experts as the maximum safety threshold to avoid otherwise irreversible consequences. The relevance of the issue was confirmed by the sixth report of the Intergovernmental Panel on Climate Change (IPCC) which provides new forecasts on the possibility of exceeding this threshold, emphasising how limiting global warming to close to 1.5°C will be impossible unless broad-reaching plans for the reduction of greenhouse gas emissions are launched immediately.

The European Union has made clear commitments to combating climate change with the aim of reducing emissions by at least 55% by 2030 and making Europe the first climate-neutral continent by 2050. To accelerate this transition, in 2019 the European Commission presented the European Green Deal, a roadmap for making the EU economy sustainable; later, at the start of January 2020, the Green Deal investment plan was presented, which aims to mobilise at least 1 trillion in sustainable investments over the subsequent decade. The EU's commitment to guaranteeing the transition to a low-carbon economy is also confirmed by the Recovery and Resilience Facility, a tool which represents 90% of the 750 billion euro EU Next Generation plan (which will help European states address the economic and social impact caused by the COVID-19 pandemic). The Recovery and Resilience Facility provides subsidies and loans subordinate to the presentation of national recovery and resilience plans (NRRP), in which 37% of resources must be allocated to the climate.

Effectively tackling the causes of climate change and adapting to its impacts therefore requires a collective effort at both global and national level as well as a systemic view of the problem. With the consequences of the COVID-19 pandemic, 2020 and 2021 helped us to focus more closely on the importance of improving the resilience of our social, environmental and economic systems to internal and external stress, including climate change.

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Project/Indicator	2021 Actions/Results ⁽¹⁾	2021 objectives
Climate change	Atmospheric emissions ⁽²⁾	<ul style="list-style-type: none"> ▪ Scope1 + 2 Market-based⁽³⁾: 80,531 tCO₂ eq: -3.7% vs 2020; 0.019 tCO₂ eq/m²: +0.8% vs 2020; 0.802 tCO₂ eq/employee: +4.8% vs 2020 	<ul style="list-style-type: none"> ▪ Containment of CO₂ emissions

⁽¹⁾ The 2020 figures were redetermined to include the UBI Banca Group for the entire year.

⁽²⁾ Emission factors for the calculation of CO₂ established by Intesa Sanpaolo, in accordance with the ABI Guidelines on environmental matters issued by ABI Energia and on the basis of the main 2021 publications (UNFCCC, IEA, IPCC, AIB, etc.).

⁽³⁾ Market-based: the Scope2 data for purchased electricity considers the contribution, agreed contractually, of the guaranteed renewable source certificates, which therefore have zero emissions.

PERFORMANCE INDICATORS, RESULTS ACHIEVED AND OBJECTIVES

Macro-issue	Project/Indicator	2021 Actions/Results ⁽¹⁾	2021 objectives
Climate change	Energy consumption	<ul style="list-style-type: none"> ▪ Electricity: 440,124 MWh: -9.1% vs 2020; ▪ Thermal energy: 234,801 MWh: -8.2% vs 2020 	<ul style="list-style-type: none"> ▪ Containment of energy consumption
	Responsible management of resources	<ul style="list-style-type: none"> ▪ Renewable electricity purchased versus total purchases: ~88% ▪ Electricity produced from renewable sources: 1,361 MWh ▪ Business travel: 80 million km 	<ul style="list-style-type: none"> ▪ Increase in the use of renewable energy sources ▪ Maintenance of electricity production levels from photovoltaic energy
		<ul style="list-style-type: none"> ▪ Paper purchased: 5,684 t: -11.7% vs 2020 ▪ Environmentally-friendly paper purchased (including recycled paper) vs total: 80.0% ▪ Paper saved: ~3,200 t ▪ Toners used: 114 t ▪ Remanufactured toners used vs total: 53% ▪ Waste: 5,380 t ▪ ISO 14001 and 50001 certified scope: 100% of Intesa Sanpaolo branches and buildings in Italy ▪ New Headquarters: Green Building Council LEED certification in the sustainable building management category 	<ul style="list-style-type: none"> ▪ Responsible use of resources

COMPANY POLICIES

Environmental protection is one of the key aspects of Intesa Sanpaolo's commitment to sustainability/ ESG and takes the form of self-regulated environmental and energy instruments and policies that define the strategic and operational guidelines which underpin the Group's environmental protection initiatives and its efforts to reduce its environmental footprint.

To this end, by joining all of the net-zero alliances promoted by the UNEP Finance Initiative² on credit, investments and insurance in 2021, Intesa Sanpaolo has set itself the goal of achieving net-zero emissions by 2050 in terms of own emissions and in terms of loan and investments portfolios, asset management and insurance business. It aims to make its own emissions net-zero by 2030.

In addition, with regard to climate change, in 2021 Intesa Sanpaolo published its first TCFD (Task Force on Climate-related Financial Disclosures) report.

The Group's Code of Ethics and the Rules for environmental and energy policy, approved by the top management, define the principles and guidelines that regulate the environmental responsibility of the Group and the monitoring of the impact of its activities.

Direct impacts are also monitored by an Environmental Management System extended to all Intesa Sanpaolo branches and buildings in Italy. An Energy Management System and a Worker Health and Safety Management System are also applied in Italy. It is therefore possible to talk about an Integrated Management System which meets all the requirements of the most recent reference standard in this area (ISO 14001, 50001, 45001) and, as such, is subject to annual auditing and certification by an international and independent third-party which certifies its compliance.

Additional protection is provided by a team of internal structures which proposes, defines, implements and constantly monitors activities to support the reduction of the Group's direct Scope 1, 2 and 3

⁽¹⁾ The 2020 figures were redetermined to include the UBI Banca Group for the entire year.

⁽²⁾ The UN Environmental Programme that promotes dialogue among financial institutions on economic performance, environmental protection and sustainable development.

emissions. A structure within the Safety and Protection Head Office Department, which reports directly to the Managing Director and CEO and also includes the Energy Manager, coordinates all of the Group's actions as regards the reduction of its direct emissions. In addition, as Environmental Officer, the manager of the Safety and Protection Head Office Department has been given broad decision-making, organisational and spending powers, including the preliminary approval of any change in the production process that may be relevant for environmental purposes. The role of Mobility Manager has also been introduced in the Labour Affairs and Policies Head Office Department to cover applicable issues.

With regard to the activities that the Group has been pursuing for years to reduce its emissions, these relate to various areas including, for example, the acquisition of energy from renewable sources, energy efficiency and optimisation actions, and the development of mobility management initiatives to reduce emissions connected with travel. In view of this, aiming to increasingly strengthen its commitment to reducing its environmental impact, in June 2021 the Intesa Sanpaolo Group updated its Green Banking Procurement rules defining, further to the previous criteria already applied, additional minimum sustainability requirements for purchases of paper, stationery, toner, electricity and office equipment, as well as for the redevelopment of real estate assets, the results of which are described in the following paragraphs.

STRATEGY FOR COMBATING CLIMATE CHANGE

Intesa Sanpaolo generates significant environmental impact both through its direct activities and its business; as a financial operator it therefore plays a frontline role in channelling capital towards an economy that is sustainable in both the short and long term. In fact, as well as managing its environmental footprint, Intesa Sanpaolo can also exert strong influence on activities and behaviour that it cannot directly control, particularly that of its customers and suppliers, and facilitate the transition towards a low-carbon economy.

The Group focuses particular attention on climate change, as underlined by the materiality matrix in which this issue figures among the most relevant factors for stakeholders and has a significant impact on strategy (see page 68).

In line with the principles of its Code of Ethics, Intesa Sanpaolo regards sound sustainability governance, strong risk management, the development of an adequate product range to support the transition towards a sustainable, green and circular economy, and the dissemination of knowledge and training on climate and ESG issues within the Group and among its customers, also supported through structured engagement processes (for more details see the paragraphs Sustainability Governance, Monitoring of ESG and Reputational Risks, Transition to a sustainable, green and circular economy), as integral to its strategy for combating climate change.

In 2021 Intesa Sanpaolo underlined the strategic importance of climate change by setting itself the target of achieving net-zero emissions by 2050 in terms of own emissions and in terms of loan and investments portfolios, asset management and insurance, and joining the related initiatives launched by UNEP FI. More specifically, in October 2021 Intesa Sanpaolo joined the Net-Zero Banking Alliance (NZBA); in November 2021 Eurizon Capital SGR, Fideuram Asset Management SGR and Fideuram Asset Management Ireland joined the Net-Zero Asset Managers Initiative (NZAMI); and in December 2021 Intesa Sanpaolo Vita joined the Net-Zero Asset Owner Alliance (NZAOA) and the Net-Zero Insurance Alliance (NZIA).

Confirming its strong commitment to this objective, as part of its 2022-2025 Business Plan and more than one year ahead of the NZBA deadline, Intesa Sanpaolo presented its net-zero aligned emissions reduction targets for 2030 in the oil&gas, power generation, automotive and coal mining sectors⁵, which represent over 60% of the non-financial corporates portfolio financed emissions in the sectors identified by the NZBA. With regard to coal mining in particular, the exposure target is zero by 2025, in line with the phase-out present in the "Rules for lending operations in the coal sector", updated in July 2021. The table below provides details on the metrics applied, the baseline and the 2030 goal for each target sector.

⁽⁵⁾ Sectors consistent with Net-Zero Banking Alliance. Reference scenario: IEA Net-Zero 2050.

Sector and Scope	Metrics	Baseline (2019)*	Target 2030**
Oil & gas*** (Scope 1, 2, 3)	gCO ₂ e/MJ	64	52-58
Power generation (Scope 1,2)	kgCO ₂ e/MWh	214	110
Automotive (Scope 3)	gCO ₂ e/km	162	95
Coal mining (exclusion policy)	€ bn exposure	0.2	zero by 2025

* Portfolio composition as of 30/06/2021; latest available emissions data as of FY19.

** Targets may be updated over time following the evolution of the emission calculation methodology, the regular updates required by NZBA, "Science Based Target initiative" (SBTi, described below) and any issuance of new external guidelines.

*** The Group already has a policy in place to phase out unconventional oil&gas by 2030.

Intesa Sanpaolo is also committed to requesting certification of its emissions reduction targets from the "Science Based Target initiative" (SBTi), partnership between CDP, United Nations Global Compact (UNGC), World Resources Institute (WRI) and WWF. SBTi certifies targets as "science based" if they are in line with the latest scientific evidence for achieving the goals of the Paris Agreement, i.e. limiting global warming to well below 2°C compared to pre-industrial levels, while at the same making every effort to limit the increase to 1.5°C.

With regard to its own emissions, in addition to having already reduced them by 60% in 2020 compared to 2008 levels, as part of its 2022-2025 Business Plan, Intesa Sanpaolo has set itself the target of achieving net-zero emissions in 2030 with 100% of electricity at Group level acquired from renewable sources (a target already achieved in Italian branches and buildings in 2021).

The importance of climate change to the Group can also be seen in its efforts to protect and restore "natural capital". To this end, the 2022-2025 Business Plan envisages Intesa Sanpaolo committed to adopting a specific policy on biodiversity and planting 100 million trees directly as a Group and through dedicated financing to clients.

In 2021 Intesa Sanpaolo was also involved in the activities connected with the "Guide on climate-related and environmental risks" published by the European Central Bank in November 2020, which contained thirteen expectations associated with four macro areas: business models & strategy, governance & risk appetite, risk management and disclosure. Dedicated workshops were organised for each expectation and attended by the Group's competent structures. A self-assessment related to the thirteen expectations was then drafted together with an Action Plan that includes the Group's ongoing and planned activities/projects. These documents were submitted to the European Central Bank following their examination by the competent Corporate Bodies.

Since 2018 Intesa Sanpaolo has also supported the "Task Force on Climate-related Financial Disclosures" (TCFD), providing its climate change disclosure as part of the Consolidated Non-Financial Statement. In 2021, the Group also published its first TCFD Report [i] which may be referred to for a detailed representation of governance, strategy, risk management, metrics and targets with regard to climate change.

PARTICIPATION IN WORKING GROUPS ON CLIMATE CHANGE ISSUES

In 2021 Intesa Sanpaolo participated, together with 48 other financial institutions, in phase three of the TCFD Banking Pilot project coordinated by UNEP FI; the Group had already been involved in phase 2 of the pilot project which began in 2019. The programme was divided into two parts: i) TCFD roadmap, more informative, useful for understanding and examining the issues connected with climate change and related "disclosures"; ii) various "target modules" focused on specific topics, such as "Climate Stress Testing" and "Sectoral Climate Risks". In this context, Intesa Sanpaolo produced a case study connected with the "Landscape Review" module, the publication of which is scheduled for the first quarter of 2022. The aim of the study is to investigate the effects deriving from the risk of flooding on a small sample of the Intesa Sanpaolo mortgages portfolio in Italy (1,200 positions, located in 85 Italian provinces). The most impactful scenarios of the Intergovernmental Panel on Climate Change (IPCC) for physical risk were used, in particular the Representative Concentration Pathways (RCP) 6.0, stabilisation scenario, and RCP 8.5, Business as usual scenario.

Having joined the Net-Zero Banking Alliance (NZBA) in October 2021, Intesa Sanpaolo participates in the Financing & Engagement and Data & Methodologies task forces, organised by UNEP FI and dedicated to the banks that form part of the Alliance, with the aim of facilitating the activities necessary

to achieve the Net-Zero target.

Still in the area of Net-Zero, since February 2022 the Group has also participated in the Financial Institution Transition Plans Workstream organised by the Glasgow Financial Alliance for Net-Zero (GFANZ) to support the development and effective implementation of ambitious and credible net-zero emissions plans by financial institutions.

OWN EMISSIONS REDUCTION PLANS

In accordance with the environmental responsibility commitments undertaken by the Group, since 2009 Intesa Sanpaolo has set medium to long-term goals through the creation of specific action plans. The first Intesa Sanpaolo Environmental Plan covered the 2009-2013 period and was followed by the plan relating to 2013-2016. Both Plans set measurable goals in the areas of energy savings, economic savings and the reduction of CO₂ emissions. The scope, limited to Italy in the first plan, has expanded over time to include the International Subsidiary Banks.

In 2017 the Group drew up a new Climate Change Action Plan, with goals for 2022 and 2037, in which it outlined its targets for reducing the CO₂ emissions associated with its activities, taking 2012 as its benchmark year. The achievement of these targets is monitored on a yearly basis by ESG & Sustainability structure. The results achieved in 2021 are set out below:

- a 33% reduction was achieved against a target of 37% reduction in absolute emissions linked to energy consumption (direct and indirect) (target to be achieved in 2022 with respect to 2012 emissions). Considering that the 2020 reduction (43%) was also shaped by the long periods of lockdown due to the COVID-19 emergency, the decrease recorded in 2021 was nonetheless in line with the 2019 figure (33%). It should be mentioned however that the 2021 figures also take account of the broadening of the reporting scope due to the entrance of the UBI Banca Group and the 2012 benchmark figures do not take account of the variations in scope over the years (constant baseline);
- the target, revised in 2020, of purchasing 89% of electricity from renewable sources by the end of 2022 has almost been met (~88% of all electricity purchased comes from renewable sources);
- taking account of the constraints and characteristics of its real estate assets, the target of maintaining electricity production levels from photovoltaic energy over 1,000 MWh per year has been met: in 2021, the Intesa Sanpaolo Group produced 1,361 MWh of its own electricity.

Considering its participation, since October 2021, in the Net-Zero Banking Alliance and the increasing strategic relevance of the issue of CO₂ emissions, Intesa Sanpaolo has set itself the goal of achieving Net-Zero emissions by 2030 with 100% of the energy acquired at Group level deriving from renewable sources. Its emissions reduction target also respects the requisites of the SBTi.

In order to support the decision-making process connected with the definition of CO₂ emissions reduction targets applicable until 2030, the Safety and Protection Head Office has launched and implemented a process to engage all of the relevant internal Group functions with the goal of identifying the overall potential reduction of Scope 1 and 2 emissions. As well as the Safety and Protection Head Office, the Financial Market Coverage Department and the Strategic Support Department, the process of drafting the new Own Emissions Plan involved the Real Estate and Logistics Departments, the International Subsidiary Banks Division, the IMI CIB Division, the Chief Operating Officer and Chief IT, Digital and Innovation Officer Governance Areas, as well as the Banca dei Territori Division and the Insurance, Asset Management and Private Banking Division.

ATMOSPHERIC EMISSIONS

The Intesa Sanpaolo Group's greenhouse gas emissions, reported in CO₂ equivalent in accordance with the international GHG Protocol (Greenhouse Gas Protocol), relate to:

- Scope1 direct emissions, relating to the use of fuel for heating and the fleet;
- Scope2 indirect emissions for centralised air conditioning systems, district heating and electricity.

The Bank's commitment to containing its CO₂ emissions takes tangible form in its Own Emissions Plan which identifies specific medium to long-term actions aimed at reducing its consumption of natural gas, diesel and traditional electricity. Further to this, the Group's strategy for reducing its Scope 1 and 2 emissions, which also takes account of the use and the composition of the company fleet with the goal of continuously improving its environmental performance in terms of emissions, produced significant results in terms of reducing energy

consumption in accordance with the objectives of the plan.

Although electricity consumption in 2020 and 2021 was anomalous because of the COVID-19 emergency, considering the UBI Banca Group figures for the whole of 2020, 2021 nonetheless, owing to a careful management of consumption, saw a continued reduction in electricity consumption, which fell by 9% compared to the previous year.

In terms of thermal energy, average temperatures in 2021 were lower than in 2020 and this resulted in higher levels of gas and diesel consumption at certain times of year. Nevertheless, overall thermal energy consumption fell by 8%.

The emissions connected with the company fleet showed, by contrast, a different trend (+9%), which increased due to the upturn in local activities compared to 2020, a year marked by various protracted periods of lockdown. At an overall level, Scope1 + Scope2 Market-based greenhouse gas emissions fell by 4%¹: this result was achieved through continuous improvement in terms of energy efficiency and, in part, also through the commercial reorganisation that took place during the year (sale of former UBI Group branches and closures due to mergers).

Despite the reductions in the number of employees (-8%) and surface area (-5%), the relative Scope 1+Scope 2 parameters are slightly higher as the decreases in the number of employees and surface area were concentrated in the second half-year, influencing the overall report on annual emissions.

Furthermore, in addition to its Scope 1 and 2 emissions, the Intesa Sanpaolo Group is also committed to reporting its indirect Scope 3 emissions which are connected with its activities but not directly controlled by the company (paper, waste, office equipment, etc.).

EFFICIENCY AND OPTIMISATION OF ENERGY CONSUMPTION

Despite the operational constraints imposed by the pandemic, which notably reduced the energy efficiency actions normally carried out by the Group, like every year it implemented a series of measures to reduce energy consumption. More specifically, in Italy a number of energy efficiency and plant modernisation projects were completed with estimated annual energy savings of 1.985 million KWh and a potential annual reduction in CO₂ emissions of 470 t. The Group reduces its emissions mainly through careful management of consumption and a reduction in energy demand thanks to the implementation of energy efficiency and optimisation actions. In 2021 the internal "Green Banking Procurement" rules were issued which dedicate a specific chapter to the acquisition of electricity from renewable sources and redevelopment of properties based on environmental criteria. In fact, the Rules identify the minimum environmental criteria to respect in redevelopment of properties, at the same time taking account of local rules and the technology available in the country concerned. In general, products with low environmental impact certification (such as Ecolabel, EPD, NF Environnement, SEI, EMAS) should be used wherever possible.

In addition, for a number of years the management and governance of the energy consumption of the buildings in Italy has been overseen by a centralised platform, Sigi Energia, connected to sensors installed in the buildings (dataloggers and temperature probes). In 2021 the centralised management process was extended to take in the approximately 600 UBI properties fitted with electricity consumption monitoring systems. This important integration of the former UBI monitoring systems made it possible to expand the algorithms already trialled in recent years and create an alert system that promptly identifies areas of optimisation and sends automatic notification to maintenance staff, requesting timely action to prevent any deviations in consumption.

With regard to large buildings, which produce lots of complex data, 2021 saw the ongoing implementation of the consumption monitoring platform developed with Microsoft in six major sites, including three Data Processing Centres.

IMPACT OF COVID-19

The prevention rules introduced to combat the spread of COVID-19 continued to apply to the workplaces of the Intesa Sanpaolo Group in 2021. The branches of the Intesa Sanpaolo Group remained operative at all times, with some restrictions in terms of opening hours particularly in the first half of 2021. The Group's buildings remained operational albeit with significantly reduced numbers of onsite staff on average due to the use of smart working as a COVID-19 risk prevention strategy.

The objective of guaranteeing the maximum safety of employees in company spaces and combating the risk of contracting COVID-19 also involved a closer and more attentive focus on the air conditioning and ventilation systems. With this in mind, in both its branches and buildings in Italy, Intesa Sanpaolo adopted standards above and beyond those established by the technical regulations in the sector, overestimating its requirements in order to ensure a wide margin of protection for both employees and customers.

¹ The Scope 1 and 2 Market-Based emissions of the Intesa Sanpaolo Group with the UBI Banca Group for all of 2020 came to 83,665 tCO₂e (49,951 Scope 1 + 33,714 Scope 2 Market-based).

CONSUMPTION AND PRODUCTION OF RENEWABLE ENERGY

In addition to the energy efficiency measures aimed at reducing its environmental impact, the Intesa Sanpaolo Group has committed, where possible, to producing electricity through the installation of photovoltaic plants and to purchasing electricity from renewable sources. The total consumption of electricity from renewable sources amounted to approximately 87% of total consumption of electricity.

The self-production of energy from renewable sources comes from the photovoltaic plants in Italy, 9 of which with a capacity under 20 kWp and 10 of large size, and from two plants in Slovenia. In 2021 the Intesa Sanpaolo Group self-produced 1,361 MWh of energy, saving around 243,000 euro on the purchase of electricity and avoiding 642 tonnes of CO₂ emissions.

In the Group companies in Italy, including overseas offices of Intesa Sanpaolo and some Italian Companies, about 99% of energy purchased comes from renewable sources. Considering only the branches and properties located in Italy, this percentage reaches 100%.

Despite limitations imposed by some national legislation, the use of renewable energy outside of Italy continues to grow. Intesa Sanpaolo Bank (Slovenia) once again eliminated its emissions this year by purchasing all its energy from hydroelectric sources, while Privredna Banka Zagreb (Croatia) purchases around 60% of its electricity from renewable sources and Intesa Sanpaolo Bank Luxembourg 23%.

The following international banks use electricity from renewable sources thanks to their national energy mix: Intesa Sanpaolo Bank Albania in Albania (100%), Banca Intesa Beograd in Serbia (29%), VÚB Banka in Slovakia (20%) and CIB Bank in Hungary (11%).

MOBILITY

The Mobility Management function, part of the Labour Affairs and Policies Head Office Department, is dedicated to supporting employee commuting, to improve their quality but also to promote sustainable means of transport. The goal is to translate the feedback from employees into concrete actions in order to provide a structured range of options for daily commutes and implement the actions of the Home-Work Commuting Plans.

2021 was a year full of legislative changes that led Intesa Sanpaolo to increase the number of cities analysed, namely from 12 to 27 areas.

As well as the legal obligation to appoint a Mobility Manager, the organisation of the Group involves the set-up of a coordination team and the appointment of a Local Mobility Manager for every city in order to ensure widespread monitoring of the issues.

With regard to the reduction in CO₂ emissions and the use of private individual transport, the main goals pursued by the Group in response to the legislation are:

- the spread of Flexible Work and Training, which innovatively combine the management of people's private lives with the company's organisational requirements;
- the execution of a trade union agreement on mobility;
- the Mobility Office platform which promotes the use of public transport in some cities, enabling employees to request annual season tickets directly from their workstation, with the option of paying in monthly instalments and taking advantage of discounted fares where envisaged;
- the company shuttle service to support mobility at some sites not served by local public transport (forecast savings of over 1,000 tonnes of CO₂ in Italy);
- the company carpooling service, a mode of transport based on the concept of several people with similar routes and working hours sharing the same private car. The aim is to share the car for commutes in order to improve the quality of transfers, make savings on transport expenses, reduce traffic congestion, pollution and road accidents.
- the development of shared services (cars, mopeds, scooters, and bicycles). In Italy, ALI - the Intesa Sanpaolo employees' association - has entered into agreements with the main networks in several cities;
- the constant commitment to managing and upgrading the company fleet according to selection criteria that promote respect for the environment. For example, the models offered by mixed-use policies have been supplemented with additional plug-in hybrid vehicles; the renewal of the pooled fleet saw the introduction of a significant number of fully hybrid vehicles and provision of some electric cars;
- the incentivisation of micromobility through various initiatives, such as the possibility of parking foldable bicycles and/or scooters in company spaces, a plan to install racks for the parking of traditional and electrically assisted pedal bicycles, and dedicated contributions by the Employees' Association (ALI);
- the development of remote communications for both listening and work activities, with the widespread use of Skype for Business and Teams in place of commuting and business trips.

In line with the social distancing measures connected with the pandemic, in the International Subsidiary Banks the company shuttle services at the Bank of Alexandria (Egypt) have continued, as have the car-pooling solutions and the sharing of company and/or private cars at Intesa Sanpaolo Bank (Albania), CIB Bank (Hungary), Banca Intesa Beograd (Serbia), Pravex Bank (Ukraine), Intesa Sanpaolo Bank Romania, Intesa Sanpaolo Bank (Slovenia), Intesa Sanpaolo Banka Bosna i Hercegovina and VÚB Banka (Slovakia). In addition, in 2018 CIB Bank signed a contract for the use of car sharing using only electric cars.

RESPONSIBLE MANAGEMENT OF RESOURCES

According to the Code of Ethics, the Rules for the environmental and energy policy and the Green Banking Procurement rules, the Group's responsibilities include the close evaluation of the consequences of its activities on ecosystems and the reduction of its environmental footprint. For this reason, the responsible management of resources is a priority issue for the Intesa Sanpaolo Group in its attempts to mitigate its impact on the environment.

CERTIFIED ENVIRONMENTAL AND ENERGY MANAGEMENT SYSTEM

Intesa Sanpaolo has implemented an Integrated Management System (Health and Safety, Environment and Energy) which is certified every year by an international third-party body according to the ISO 14001, 50001 and 45001 standards. Applied in all branches and buildings across Italy, the System ensures the continuous monitoring of objectives and is also subject to internal audits to assess if its performance levels meet expectations.

The following corporate functions are involved and take part in applying the System, each one in relation to its own area of competence: the Safety and Protection Head Office Department as the structure responsible for coordination, the Real Estate and Logistics Head Office Department as the department that centralises real estate activities, the Development Policy and Learning Academy Head Office Department for training requirements, the ICT Head Office Department for the management and streamlining of ICT infrastructure and the Banca dei Territori Division for network activities.

During the annual Review meeting, the Top Management evaluates the suitability and efficacy of the Management System on the basis of the reference regulations and current legislation, also in light of the commitments undertaken by the Governance. The Review also assesses the degree to which goals and milestones have been achieved, the results of internal audits and the audits performed by the third-party body to maintain the certification, the analysis of staff skills, the effectiveness of the training provided, measures to improve the System and any changes in internal and external factors that may generate risks and opportunities for the Bank.

With regard to the international banks, thanks to the energy measures it has taken, CIB Bank - committed to responsible sourcing and use of goods and services that comply with regulations on protection and preservation of the environment - maintained its ISO 50001 certification, which applied to all of its properties in Hungary also in 2021.

PAPER, TONERS AND STATIONERY

The extraordinary events of 2020 and 2021 have resulted in major changes in working habits and methods, for example through the spread of remote working. People's awareness around reducing paper consumption has also improved. Comparing the data for 2021 and 2020 in the same area (Intesa Sanpaolo Group including UBI Group), there has been an ongoing decrease in both the overall figure (-12% compared to 2020) and the per-employee figure (-4% compared to 2020).

Considering the various dematerialisation actions concluded in the last five years, in 2021 around 3,271 tonnes of paper were saved, corresponding to 4,457 tonnes of CO₂ avoided and a theoretical cost saving of around 5.7 million euro. The reduction of acquisitions also applied to toner (-6% compared to 2020 in overall terms and on a like-for-like basis).

These savings were made possible by actions taken both internally and regarding customers.

In Italy, the paperless contracts project continued and, in addition to bank contracts, investment transactions and branch transactions, banking products and services related to pension plans and after-sales operations on POS contracts, in 2021 was extended to additional products and services dedicated to legal entities. These developments point to the gradual extension of dematerialisation among legal entities, which will be further expanded in 2022. The new simple and innovative customer experience, involving the use of the graphometric or remote digital signature for execution of contractual documents in all Bank branches, makes it possible to eliminate paper documents and improve the efficiency of managers through the notable simplification

of internal paper management and filing processes. The creation of a digital document archive facilitates the filing process and the search for documents while also guaranteeing improved storage, in line with the legislation in force, eliminating back office processing time. Digitisation was also further promoted in both the Business-Bank relationship, with the introduction of new digital signature functionalities for contracts on the Inbiz Corporate Banking portal, and in the transactions of the Intesa Sanpaolo Group company SIREF Fiduciaria (Società Italiana di Revisione e Fiduciaria) with its customers. Some of the Group's international branches, such as those in London, Hong Kong, Shanghai and Warsaw, launched actions to dematerialise the accounting documents of their customers.

The digital transformation of the branches of the International Subsidiary Banks also continued in 2021. The "Digital ABC" project made it possible to adopt a single branch application in 6 banks - Privredna Banka Zagreb (Croatia), VÚB Banka (Slovakia), Intesa Sanpaolo Bosna i Hercegovina, CIB Bank (Hungary), Intesa Sanpaolo Bank (Slovenia), Intesa Sanpaolo Bank Albania - which optimised the activities of managers and made sales processes completely paperless, with informational and commercial content shared via tablets (Danube) and digital signatures used to create a multichannel experience in which customers are more engaged. Paper savings increased thanks to new projects launched at CIB Bank and Intesa Sanpaolo Bank Albania in 2021. Pravax Bank (Ukraine) also launched actions to make its customer contracts paperless.

In line with the 3-year programme for the digitalisation of all Group HR systems and services (completed in 2020), 2021 saw the ongoing dematerialisation of employee communications (Smart HR project), including letters on events connected with the UBI Group merger.

Furthermore, in the Eurizon Group the policies for the use of printers were reviewed and important investments were made to convert customer reports into digital format.

Finally, with regard to sustainable stationery, the introduction of the new rules led to the launch of a virtuous process for the purchase of low environmental impact materials throughout the Group. A total of around 38 tonnes of eco stationery was purchased in 2021, 31 tonnes of which containing paper (notepads, post-its, files, etc.) and the remainder consisting of ballpoint pens, highlighters and stamps in recycled material and office supplies made of sustainable wood.

WATER

The Intesa Sanpaolo Group's consumption of drinking water from the network is predominantly connected with sanitation purposes and, to a much lesser extent, the generation of cold air for air conditioning.

In 2021 the Group's per capita water consumption was 18 cubic metres per employee, largely consistent with the previous year.

ENVIRONMENTAL MONITORING AND HAZARDOUS WASTE MANAGEMENT

The Intesa Sanpaolo Group focuses particular attention on environmental monitoring and the management of hazardous waste for the environment. In 2021, the monitoring of radon and asbestos continued in Italy and was joined by environmental monitoring connected with the COVID-19 emergency.

With regard to radon, in line with the new legislation introduced in 2020 which established stricter action thresholds for workplaces compared to the previous ones, the Safety and Protection Head Office Department carries out campaigns for the measurement of the average annual concentration level of the gas in order to guarantee the healthiest possible environment for employees and customers. If concentration levels exceed the thresholds, an external consultant is brought in to identify risk mitigation measures. Where necessary, the Radiation Protection Expert performs an Effective Dose Assessment to verify compliance with the maximum reference limit. No instances of this maximum limit being exceeded were recorded in 2021.

In the same way, although the activities carried out by Intesa Sanpaolo employees do not in any way expose them to dust and materials containing asbestos, in 2021 the Safety and Protection Head Office Department once again carried out a specific risk assessment for all workplaces. The checks performed, according to the timeframes established by law, by a Qualified Expert in the Management and Control of materials containing asbestos, confirmed that there is no contamination: all of the values measured are lower than the threshold established by law and similar to those present in the external environment.

In addition, monitoring activities also continued in Italy in 2021 to assess the quality of the air inside workspace following systems management activities, as per a company procedure developed in response to the COVID-19 emergency. The results of the surveys were satisfactory also in 2021: the level of internal microbial contamination was comparable to that of the external environment, confirming that the ventilation systems guarantee an adequate supply of air from the outside.

WASTE MANAGEMENT

For the purposes of managing the waste produced at the Group's sites, the Italian territory was divided into a number of lots where companies specialised in waste collection, sorting and disposal activities operate. These companies are subject to an evaluation process during which the authorisations required to operate as transporters (by means of vehicles entered on the relevant register) and recipients are also acquired. The various types of special waste are managed on the basis of their specific characteristics, while for separately collected waste such as paper, plastic and glass, compliance with the provisions issued locally applies.

Similarly, in other countries, waste collection and management take place in compliance with the reference national legislation. Particular attention is focused on the disposal of office equipment in Italy: before becoming waste, this equipment is subject to a careful recycling analysis.

During the COVID-19 emergency, at Group branches and buildings due attention was also focused on the disposal of personal protective equipment (masks, gloves, etc.) according to the laws in force.

In 2021 the merger of the Intesa Sanpaolo Group and the UBI Group resulted in the unification of numerous branches and some buildings and the consequent disposal of a large number of paper archives and other materials. The amount of special waste produced by the Group therefore rose and totalled 5,380 tonnes.

The management of Intesa Sanpaolo Group waste, including collection, transportation, recovery and disposal at external sites, is overseen by third parties in accordance with all the relevant legislation in force. Only 5.8% of the waste produced is disposed of (4.6% disposed of in landfills) with over 94% prepared for reuse, recovery or recycling.

GREEN PROCUREMENT OF OFFICE EQUIPMENT

On the basis of the "Green Banking Procurement Rules" issued in June 2021, the Structures responsible for purchasing office equipment (photocopiers, printers, PCs, computer and standalone monitors, notebooks and ATMs/ MTAs) undertake to apply responsible purchasing and usage criteria. These were the main categories of office equipment centrally purchased in 2021 with the relative percentages of those subject to Green Banking Procurement criteria evaluations: notebooks 100%, mini-desktops 100%, desktops 100%, cash in cash out 100%, ATM/MTA 100%, monitors 29%, printers 84%.

In the promotion of sustainability, due consideration is given both to legislation and relevant compliance requirements in force, as well as to specific environmental evaluation criteria.

Internal Carbon Pricing is also used as an additional support tool in the purchasing process, assessing energy efficiency in terms of the GHG emissions generated by energy consumption throughout the life cycle of the equipment.



Human rights protection

Human rights protection

RELEVANT ISSUES

The Intesa Sanpaolo Group has always been committed to protecting human rights, in line with the values set out in the Code of Ethics.

Aware that its activities have direct and indirect impacts on human rights, Intesa Sanpaolo has defined its areas of responsibility for each of its Stakeholders. Indeed, it has considered its impact on its Group's people, customers, suppliers and the community. The environment is another issue closely related to the principles of human rights, and the promotion of high environmental standards must therefore be considered key to respecting and enjoying these rights.

As a cross-cutting issue that is relevant to various areas of the Group's operations, human rights are therefore touched upon throughout the Consolidated Non-Financial Statement, as summarised in the following table:

Stakeholder	AREA OF IMPACT	see page
Group's people	Health and safety of workers and combating conditions of discomfort and stress	page 175
Group's people	Combating the harassment of employees	page 165
Group's people	Freedom of association	page 157
Group's people	Non-discrimination, equal opportunities and fair remuneration	page 165
Group's people	Family life through work-life balance policies	page 170
Group's people	Safeguarding social security with supplementary pensions	page 170
Customers	Policies and solutions for combating robberies	page 102
Group's Customers/ People	Privacy of personal and sensitive data	page 90
Customers	Financial inclusion of the most vulnerable social groups	page 117
Suppliers	Inclusion of criteria for respecting human rights in the supply chain	page 210
Community	Assessing the respect of human rights on the part of customer companies, specifically regarding their employees, and in financed projects, in particular concerning the rights of the communities involved	page 57
Community	Culture and charitable activities promoting a respect for human rights	page 143
Environment	All	pages 180;195

WHY THESE ISSUES ARE RELEVANT

According to the UN Guiding Principles on Business and Human Rights, approved in 2011, the State has a duty to protect human rights and businesses must respect them wherever they operate (regardless of the ability or willingness of States to fulfil their obligations). Victims of abuse must also be able to access appropriate and effective remedies.

Indeed, through their activities, businesses can have various types of impacts on human rights: positive ones, such as the supply of innovative services that improve people's quality of life; or negative ones, including the exploitation of workers, for example, or the forced displacement of people or entire communities. Businesses can also be indirectly involved in violations committed by other businesses or States.

In its role as an intermediary, a financial institution like Intesa Sanpaolo initiates a value chain that involves many different individuals, entities, businesses and States. For this reason, as well as observing the relevant legislation in force in all countries in which it operates, it is committed to identifying, mitigating and, where possible, preventing potential violations of human rights connected with its activities, as recommended by the UN's Guiding Principles on Business and Human Rights.

PERFORMANCE INDICATORS AND RESULTS ACHIEVED

Approved by the Board of Directors in December 2017, the Group adopted a specific human rights policy which incorporates the principles already outlined in the Code of Ethics translating them into tangible commitments.

Indicators	Intesa Sanpaolo Group (excluding UBI Banca Group)		Intesa Sanpaolo Group (including UBI Banca Group)
	2019	2020	2021
Accidents in the workplace	268	173	194
Employees belonging to a union (% of total)*	64.8%	64.2%	66.2%
Part-time employees (% of total)	11.9%	12.2%	12.8%
Employees enabled for flexible work	~17,250	~65,500	~78,000
Reports of non-compliance with the Code of Ethics for alleged discrimination	12	6	11
Court cases for mobbing**	2	3	3
Reports of alleged breaches of the Privacy Code (Italy)	77	101	140
Robberies - Number of events per 100 branches	0.46	0.12	0.07
Suppliers registered on the Supplier Gate*** (n.)	5,569	7,352	10,058
Projects subject to Equator Principles screening****:			
Number	11	10	19
Amount granted (millions of euro)	825	1,182	1,428
Donations for vulnerable and disadvantaged groups managed centrally (% of total)	95%	92%	99%

* The industry National Collective Bargaining Agreement covers all employees in Italy. The percentage of employees working in Italy and covered by the Collective Bargaining Agreement for the Credit Sector who are also members of a trade union is 77.3%.

** There are three ongoing disputes of current employees which include, among the claims, also those for mobbing.

*** All suppliers registered on the portal are subject to checks in the areas of business ethics and respect for human rights, workers' rights and environmental rights.

**** In 2021 the amount granted subject to Equator Principles screening stood at 45.3% of total project finance allocations.

COMPANY POLICIES

Through the Group policy, Human Rights Principles, Intesa Sanpaolo pledges to:

- support the protection of human rights in accordance with the principles established in the Universal Declaration of Human Rights of 1948 and subsequent international conventions on civil and political rights and economic, social and cultural rights;
- recognise the principles established by the fundamental conventions of the ILO (International Labour Organization) and in particular the right of association and the right to collective bargaining, the abolition of forced and child labour, and non-discrimination in employment;
- contribute to combating corruption, supporting the guidelines of the OECD (Organisation for Economic Co-operation and Development) and the anti-corruption principles established by the UN in 2003, and also by taking a 'zero tolerance' approach to any eventual cases of corruption.

THE PROCESS OF MONITORING HUMAN RIGHTS

The implementation and gradual extension of the protection of human rights is monitored by ESG & Sustainability through:

- monitoring the implementation and governance of the Group's Code of Ethics, also with third-party assessments in line with the international UNI ISO 26000 standard, with a specific focus on the areas related to human rights;
- the sustainability report, which involves stakeholders and defines ESG and climate strategic objectives and the relative metrics and is subject to the certification of an independent auditor outside the Group;

Taking into account the results of the monitoring process, Intesa Sanpaolo pledges to:

- assess whether the policy needs updating;
- define guidelines for actions aiming to prevent and mitigate possible negative impacts on its stakeholders;
- issue, if necessary, further documents on specific rights and activities.

As a further guarantee for all stakeholders, anyone that wishes to report an incident of non-compliance can

write to the Code of Ethics email address (codice.etico@intesasanpaolo.com), anonymously and without fear of reprisals. With regard to reports of alleged human rights violations received in 2021, see page 50.

Human rights issues have, once again this year, been subject to third-party verification in accordance with the principles and contents of the ISO 26000 standard. For some of the topics analysed, the 2021 certification shows a further increase in the assessment compared to 2020 thanks to the existence of regulations, procedures and best practices that go beyond mere regulatory compliance, capable of protecting the human rights listed in the related policy, in relation to the main categories of Stakeholders.

In particular, the Group once again confirmed its commitment this year to actions and measures designed to protect its employees and customers during the COVID-19 pandemic, focusing first and foremost on its people as well as prioritising their health, safety and well-being. In addition, with a view to fostering inclusion and proximity to the most vulnerable situations, support was also provided, with different methods and actions, to communities, families and businesses to counter the effects generated by the difficult economic and social context that characterised 2021 (for more information, see page 22).

Human rights aspects were checked across all areas, with regard to the following issues:

Issues	Aspects addressed	Average rating of issues 2020 (0-5)	Average rating of issues 2021 (0-5)
Employment protection	Respecting individual rights in terms of protecting employment and access to trade union representation	Italy 4.7 Abroad 4.0	Italy 4.7 Abroad 4.0
Health, safety and well-being of the Group's people	Respecting individual rights in terms of welfare and quality of life in the company; employee health and safety; working environment	Italy 5 Abroad 4.2	Italy 5 Abroad 4.8
Retention, enhancement, diversity and inclusion of the Group's people	Respecting individual rights in terms of enhancement of diversity	Italy 4.7 Abroad 4.2	Italy 5 Abroad 4.7
Quality of service and customer satisfaction	Respecting individual rights in terms of accessibility, customer protection, and customer health and safety	Italy 4.8 Abroad 4.7	Italy 4.9 Abroad 4.8
Innovation, digital transformation and cybersecurity	Contribution of innovation to improving people's quality of life.	- -	Italy 5.0 Abroad 4.2
Financial inclusion and supporting production	Respect for human rights in terms of the financial inclusion of the most vulnerable social groups	Italy 5.0 Abroad 4.2	Italy 5.0 Abroad 4.5
Integrity in corporate conduct	Respecting individual rights in terms of the protection of privacy and compliance with labour laws	Italy 5.0 Abroad 4.1	Italy 5.0 Abroad 4.3
Sustainable investments and insurance	Respecting human rights in investments	Italy 4.8 Abroad 4.1	Italy 5.0 Abroad 4.3
Transition to a sustainable, green and circular economy	Respecting human rights in loans	Italy 5.0 Abroad 4.1	Italy 5.0 Abroad 4.4
Climate change	Protection of the rights of the "Future Generations" in terms of protective measures against pollution and against the risk of climate change, responsible management of resources	Italy 5.0 Abroad 4.1	Italy 5.0 Abroad 4.2
Community support	Culture and charitable activities promoting a respect for human rights	Italy 5.0 Abroad 4.1	Italy 5.0 Abroad 4.3

Note: the Abroad Rating is the average of the scores obtained by the Banks within the International Subsidiary Banks Division

The issues rating difference between Italy and abroad has to be interpreted considering the different regulatory and social environments, with particular reference to certain countries.

Lots of progress has been made in the international network, particularly with regard to employees.



Responsible supply chain management



Responsible supply chain management

COMPANY POLICIES

In order to ensure that relations with suppliers and purchasing policies can create conditions that promote sustainable economic development and respect for human rights, Intesa Sanpaolo centralised its sourcing, regulatory monitoring, supplier qualification and monitoring activities with the Parent Company. The Procurement Rationalisation Project carried out by the Procurement Head Office Department has brought the acquisition process and purchasing logic into line with the principles of listening, transparency, equal opportunities and fairness espoused by the Code of Ethics and the social and environmental responsibility criteria shared within the Group, and published the process guidelines for procurement management which has standardised the purchasing process, describing the roles and responsibilities of all corporate functions involved.

MANAGING THE SUPPLY CHAIN

The Procurement Head Office Department promotes policies and shared best practices in the area of Procurement for the entire Intesa Sanpaolo Group aimed at safeguarding the principles of ethical, social and environmental responsibility shared by the Group. This Department, in charge of procurement in the area defined by the relevant Guidelines and Rules, oversees the purchasing process, guaranteeing the regularity and consistency of purchases by observing the relevant policies and internal regulations, also via an application called Supplier Gate, with a view to ethical negotiations and the competition-based comparison of the (technical and economic) characteristics of offers submitted by suppliers and sub-suppliers. During 2021, the vendor and e-sourcing modules of the Supplier Gate suite continued to be gradually extended to other international companies of the Intesa Sanpaolo Group; going forward, the aim is to cover all Group companies. The computerisation of the qualification process has also made it possible to continuously monitor all the positions in question accurately and punctually, also with the aim of contributing to the strengthening and efficiency of control and due diligence.

In 2021, the Contract Management Module of the Supplier Portal, already aligned with the requirements imposed by the EBA Guidelines, was used to upload the Outsourcing Agreements in the Procurement Head Office Department perimeter.

Suppliers view the Intesa Sanpaolo Code of Ethics when registering with the Portal and, if they sign a supply or service agreement, they pledge to respect the main relevant contents of the Code when performing their assigned tasks, also making this pledge on behalf of their representatives, employees, associates and subcontractors. They must also read the Organisational, Management and Control Model (Italian Legislative Decree 231/2001) and the Group's Internal Code of Conduct.

The assessment of registered suppliers takes into account not only the economic-financial and technical-organisational characteristics of each supplier, but also includes assessments on business ethics, respect for human rights, workers' rights and the environment, on the basis of the declarations made through the compilation of specific questionnaires and/or the possession of certain certifications. If the outcome of this assessment is positive, suppliers are registered in the Group Suppliers' Register and can be invited to procurement events. In 2020 around 6,000 suppliers had completed the Supplier Gate registration procedure. At the end of 2021, around 6,770 suppliers completed the Supplier Gate registration procedure, out of a total of approximately 8,800 who had requested registration (excluding former UBI Group). Of the 6,770 who completed the registration procedure, and therefore also the compilation of the environmental and social sustainability questionnaires, over 4,000 are qualified and eligible to be invited to procurement events.

During 2021, preliminary analyses were launched for the optimisation of the survey and the development and adoption of an ESG scoring for suppliers, with the aim of strengthening the application of ESG variables in the selection, qualification and management of the pool of suppliers, in line with the Group's ESG strategy.

QUESTIONNAIRE, REPORTING, CONTROLS

With regard to the checks carried out on suppliers and third parties, when registering with Supplier Gate, the counterparty fills in a compulsory questionnaire on social and environmental responsibility issues providing supporting documentation. Suppliers and third parties that do not meet the minimum requirements may be disqualified. The procedure makes it possible to assign a social and environmental responsibility rating (which will be replaced by the ESG scoring referred to above) which can influence the choices behind the selection

of the best suppliers to be involved in procurement events, in relation to specific company requirements. In 2021, the Procurement Head Office Department performed checks on around 15,000 documents uploaded onto Supplier Gate.

Furthermore, in order to ensure an assessment of the entire supply chain, the functions involved in the purchasing process are guaranteed the opportunity of carrying out direct checks and inspections, also through specific reporting procedures, in order to plan appropriate actions in the event of any unsatisfactory ratings. With the aim of guaranteeing objectivity and transparency in the contract award phase and taking account of ethical implications and social-environmental impact assessments, purchases are made via a system that permits the impartial comparison of multiple offers and the tracking of all negotiations carried out. This consequently makes it possible to identify the best trade-off between the technical and administrative assessment (including social and environmental sustainability criteria) and a distinct and separate, purely economic assessment.

According to special clauses included in the contracts used by the Procurement Head Office Department, suppliers that register with Intesa Sanpaolo's Supplier Gate must respect the main content of the Code of Ethics and the Internal Code of Conduct and undertake, when fulfilling their contractual obligations, to take all necessary measures to prevent any conduct that may prove relevant under Italian Legislative Decree 231/2001, and the anti-money laundering and anti-corruption legislation. On request, they must also submit documentation that proves their ongoing compliance with the social and environmental obligations they have undertaken, and also the compliance of any subcontractors.

The contractual clauses impose on the supplier the obligation to guarantee that treatment of employees in terms of economic conditions, wages, regulations, pensions, insurance and accident prevention aspects is not lower the minimum standards outlined in applicable laws, regulations or collective bargaining agreements (also in relation to category and geographical area). Standard contractual conditions oblige every supplier and subcontractor (if applicable) to operate in complete compliance with laws on the environment, ecology and waste management (including laws on the circulation and disposal of waste electrical and electronic equipment) and, where requested, to document this compliance at any time.



ESG and climate strategic objectives

ESG and climate strategic objectives

In light of the results obtained in the previous Business Plan and the main trends that will impact the financial services and insurance industry, Intesa Sanpaolo is committed to tackling the next few years as a leader with the aim of continuing to generate value for all stakeholders and at the same time building the Bank of the future: profitable, innovative and sustainable.

In the Intesa Sanpaolo 2022-2025 Business Plan, a growing and sustainable value creation with a strong value distribution for Shareholders remains a top priority, whilst maintaining a solid capital position, pursuing a structural strategy to reduce non-performing loans to position itself as a Zero-NPL Bank and delivering over 520 billion euro to Group's stakeholders.

The Group aims to further strengthen its leading position in ESG with a world-class position in social impact and strong focus on climate.

For Intesa Sanpaolo, its People continue to be the most important asset behind the Group's success, helping to make it possible to achieve the objectives set out in the Business Plan.

With regard to the commitments on ESG issues, the Group has outlined a series of objectives divided into the following areas:

Support to address social needs



Supporting people in need

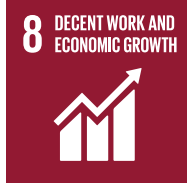
Expansion of the food and shelter programme for people in need carrying on around 50 million interventions to distribute meals, beds, medicines and clothes



Fostering youth education and employability

Launch of employability programs for more than 3,000 young people and involvement of more than 4,000 schools and universities in inclusive education programs

Promoting 3,000-4,000 social housing units for youth (e.g. students, young workers) in Italy



Assisting senior population

Creating around 30 senior community hubs to provide, at the local level, social and leisure activities and dedicated health and social assistance services

Promoting 3,000-4,000 social housing units for seniors (e.g. seniors with low income, living alone) in Italy



Total contribution of around 500 million euro, through investments and donations, to address social needs

Strong focus on financial inclusion through social lending



Lending to Third Sector

Lending and dedicated services for non-profit organisations to promote territorial initiatives that benefit communities and the environment

Fund for Impact

Direct support to individuals unable to access credit through traditional financial channels, with dedicated programs such as “MAMMA@WORK”, a highly-subsidised loan to balance motherhood and work in their children’s early years of life, “Per Merito”, the first line of credit without collateral dedicated to university students, and XME StudioStation, loans to families to assist with distance learning

Lending for urban regeneration

Dedicated program for urban regeneration with investments in hospitals, smart mobility, broadband networks, education and service and sustainable infrastructure

Lending to vulnerable and underserved individuals

Direct support to vulnerable and underserved individuals

Support to families affected by natural disasters through subsidised loans

Partnerships to provide micro-credit to individuals or small companies in difficulty

25 billion euro cumulative social lending in 2022-2025

Continuous commitment to culture



Two new museums for Gallerie d’Italia in Turin and Naples¹ and expansion of exhibition spaces in Milan and Vicenza with an overall increase from 14,200 square metres in 2021 to 30,000 in 2025

Multi-year program of original temporary exhibitions, educational labs with schools and social inclusion projects dedicated to vulnerable categories

Creation of a center of excellence in the new Gallerie d’Italia in Turin to promote the value of photography “Restituzioni” Program, dedicated to restoration and valorisation of the national heritage curated by the Bank in collaboration with the Cultural Ministry

Professional education programs in art and culture

Partnerships with museums, public/private institutions in Italy and abroad

Sponsorship of cultural activities and events

(1) Transformation of Palazzo Turinetti in Piazza San Carlo in Turin and of the former Banco di Napoli building in Naples into new museums.

Promoting innovation



Development of multidisciplinary applied research projects (e.g. AI, neuroscience, robotics) via collaboration with top-notch research centers, promoting technology transfer and spin-offs and creating intangible assets and intellectual property

Support to high-potential startups through non-financial services (e.g. acceleration programs) and the connection/support of venture capital funds, also thanks to NEVA SGR

Support to the development of innovation ecosystems with an international perspective, coordinating the network of relationships with corporates, incubators, R&D centers, universities, national and international institutions

Acceleration of business transformation and support to corporates' long-term development (e.g. scouting new technologies) promoting de-risking and competitiveness through Open Innovation programs

Diffusion of innovation mindset/culture through events and new educational formats

Launch of around 800 innovation projects in 2022-2025

Around €100 million investments of NEVA SGR in start-ups

Strong focus on climate and environmental initiatives



Accelerating towards net-zero emissions

Net-Zero emissions in 2050 for loan and investment portfolios and asset management and insurance

Net-Zero aligned targets for 2030 in the following high-emitting sectors² (2030 target³ against the 2019 baseline⁴):

- oil&gas⁵ (Scope 1,2,3): reduction from 64 to 52-58 gCO₂e/MJ;
- power generation (Scope 1,2): reduction from 214 to 110 kgCO₂e/MWh;
- automotive (Scope 3): reduction from 162 to 95 gCO₂e/km;
- coal mining (exclusion policy): exposure reduction from 0.2 billion euro to zero by 2025.

Net-Zero own emissions target already in 2030 with 100% purchased renewable energy at Group level in 2030

Protecting and restoring natural capital

Commitment to planting 100 million trees, directly and through dedicated financing to clients

Adoption of a specific policy on biodiversity

(2) Sectors consistent with Net-Zero Banking Alliance. Reference scenario: IEA Net-Zero 2050.

(3) Targets may be updated over time following the evolution of the emission calculation methodology, the regular updates required by NZBA, SBTi and any issuance of new external guidelines.

(4) Portfolio composition as of 30.6.21, latest available emissions data as of FY19.

(5) The Group already has a policy in place to phase out unconventional oil&gas by 2030.

Supporting clients in ESG/climate transition



Sustainable lending for Retail clients

Further boost of sustainable lending for Retail clients with a focus on the green energy transition

Support to SMEs/ Corporates on the sustainability journey

Strengthening of sustainable lending to SMEs/ Corporates

Dedicated Circular economy Lab and strategic partner of the Ellen Macarthur Foundation

More than 12 ESG Labs, at least one in each Regional Governance Centre, with around 100 dedicated ESG specialists, in collaboration with specialised partners to support SMEs/Corporates in ESG transition

Skills4ESG platform for client training and engagement

Support the green transition: 88 billion euro of new lending for the green economy, circular economy and green transition (76 billion euro in relation to the National Recovery and Resilience Plan⁶, 12 billion euro to individuals⁷), of which 8 billion euro dedicated to circular economy

Client assessment based on Intesa Sanpaolo proprietary ESG scoring

Proprietary ESG scoring fully embedded in Intesa Sanpaolo's credit risk appetite framework, as a key component for sustainable credit assessment together with considerations at a sector level (ESG/climate sectorial heatmap) and also included in the credit worthiness assessment of the entire Intesa Sanpaolo client base, in line with the expected regulatory evolution

Inclusion of ESG scoring within the credit strategies framework

Enhancement of ESG proposition in Asset management

Expansion of the ESG asset management offering

Increase in new ESG funds⁸ as percentage of total new funds introduced from 58% in 2021 to 70% in 2025

Increase in Assets under Management (AuM) in sustainable investments⁹ from 110 billion euro in 2021 to 156 billion euro in 2025 with a percentage of total AuM from 46% in 2021 to 60% in 2025

Further development of the Eurizon proprietary ESG scoring, with the extension to new asset classes

Development of dedicated ESG advisory services for Fideuram

Development of dedicated ESG insurance offering

Development of dedicated non-life ESG offer

Enrichment of ESG/climate offer within Group Life commercial proposition

(6) 2021-2026.

(7) 2022-2025.

(8) Eurizon perimeter – Funds pursuant to art. 8 and 9 SFDR 2088.

(9) Eurizon perimeter – Funds pursuant to art. 8 and 9 SFDR 2088.

People have always represented and continue to represent the most important asset of the Group, as well as the enabling factor for its future success.

The constant enhancement, growth and satisfaction of People represent fundamental targets to be taken: the Group shall continue to invest on talents, incentivizing diversity and inclusion, while creating a unique ecosystem of appropriate skills for the evolution of the Bank.

Group's People	Next way of working	"Next way of working" at large-scale (hybrid physical-remote) guaranteeing maximum flexibility to all employees while upgrading IT equipment and workplace layouts
 <p>3 GOOD HEALTH AND WELL-BEING</p>		<p>Around 33% of days worked remotely in 2025 (excluding the branch network)</p> <p>Large-scale employee wellbeing and safety initiatives</p> <p>New incentive plans to foster individual entrepreneurship</p>
 <p>4 QUALITY EDUCATION</p>	Innovative talent strategy	<p>"Future leaders" program targeting around 1,000 talents and key people at Group level</p> <p>International footprint reinforcement with distinctive capabilities in key markets and insourcing of core capabilities in the digital space</p>
 <p>5 GENDER EQUALITY</p>	Diversity & Inclusion	<p>Promotion of an inclusive and diverse environment thanks to a set of dedicated initiatives and a focus on gender equality</p> <p>New senior leadership appointments¹⁰ balanced for gender¹¹</p>
 <p>10 REDUCED INEQUALITIES</p>	Learning ecosystem	<p>Increase in reskilled/upskilled People from around 5,000 in 2018-2021 to around 8,000 in 2022-2025</p> <p>Around 4,600 new hires over the course of the Plan, of which around 500 in 2021</p> <p>Increase in training hours from around 45 million in 2018-2021 to around 50 million in 2022-2025 with 100% of Intesa Sanpaolo People trained on ESG</p> <p>Creation of the leading education player in Italy to position itself as an aggregator of best Italian players in the industry, offer Group's People best-in-class training on critical capabilities for both the digital and ecological transition and invest in top-notch learning technologies to provide an increasingly more effective learning experience</p> <p>New "job communities" (clusters of professionals with homogeneous skillsets, learning paths and titles) aimed at defining a coherent development model throughout the Group with an increase in the number of participating People from around 4,000 in 2018-2021 to around 20,000 in 2022-2025</p>
	Tech-enabled process streamlining	<p>Cloud infrastructure enabling a new Group "HR platform"</p> <p>Organisational streamlining to improve efficiency and time-to-market</p> <p>Innovative organisational models in selected areas of the Group, enhancing agility and entrepreneurship</p>

(10) 1-2 organisational levels below the CEO.

(11) It is expected to achieve approximately 30% of female presence in senior leadership roles by 2025.

Indicators ⁽¹⁾⁽²⁾



(1) The data reported in the tables may not add up exactly due to rounding differences.

(2) The UBI Banca Group was merged by incorporation into the Intesa Sanpaolo Group on 12 April 2021.

Governance and risk management

GOVERNANCE BODIES

BOARD OF DIRECTORS

	2021
Men	12
Women	7
<=30	0
30-50	2
>50	17
Independent*	14
Meetings	25
Attendance rate [%]	100

* Independence requirements pursuant to current legislation and the Articles of Association.

MANAGEMENT CONTROL COMMITTEE

	Members	Independent*	Meetings	Attendance rate [%]
Management Control Committee	5	5	46	100

* Independence requirements pursuant to current legislation and the Articles of Association.

COMMITTEES OF THE BOARD OF DIRECTORS

Comitati	Members	Independent*	Meetings	Attendance rate [%]
Remuneration Committee	5	3	20	99
Nomination Committee	5	3	10	100
Risks and Sustainability Committee**	5	3	52	100
Committee for Transactions with Related Parties	5	5	15	99

* Independence requirements pursuant to current legislation and the Articles of Association.

** The new name will become effective as of the next date of renewal of the Bodies.

COMMUNICATION TO THE MARKET

Presentations, roadshows and meetings [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)		Intesa Sanpaolo Group (including UBI Banca Group)
	2019	2020	2021
Group institutional presentations	58	64	64
Public financial disclosures	179	261	175
Roadshow	69	38	51
Europe	53	2	1
United States	14	0	0
Asia	2	0	0
Other*	-	36	50
Meetings with investors and analysts	407	411	377
of which:			
Meetings with investors and analysts on ESG issues**	33	36	50
Replies to requests received	12,000	12,000	12,000

*Virtual meetings.

**ESG: Environmental, social and governance issues.

SUSTAINABILITY GOVERNANCE

Code of Ethics: reports of alleged non-compliance [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)		ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)
	2019	2020	2020	2021
Customers	98	86	87	76
Employees	31	16	16	11
Suppliers	1	1	1	1
Community	0	0	0	0
Total	130	103	104	88

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Integrity in corporate conduct

	Intesa Sanpaolo Group (excluding UBI Banca Group)		ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)
	2019	2020	2020	2021
Whistleblowing [No.]				
Reports received	17	21	26	31
Reports identified as not relevant	7	8	9	2
Reports with specific investigations	10	13	17	29

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Training for the prevention of corruption**	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Participants [No.]	46,995	9,877	56,872	19,992	11,178	31,170	34,324	17,830	12,092	29,922
Hours of specific training [No.]***	50,983	25,345	76,328	16,969	25,557	42,526	45,850	17,616	22,520	40,136
Executives [%]	46.5	17.3	36.8	28.9	58.4	38.5	33.7	39.3	67.1	46.8
Middle managers [%]	72.9	36.0	67.0	28.4	50.9	32.0	29.0	23.9	59.7	28.7
Professional areas [%]	71.4	45.6	63.1	34.2	48.8	38.9	34.9	23.4	53.2	31.9
% collaborators who have received specific training on the prevention of corruption	71.6	42.8	64.1	31.7	49.5	36.4	32.6	23.9	55.0	30.9
% of hours for specific training on corruption prevention***	1.6	2.6	1.8	0.5	3.0	1.0	0.8	0.4	2.4	0.8

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Mandatory training is cyclical and not necessarily annual. The mandatory anti-corruption and anti-money laundering initiatives launched in 2019 and 2020 are still valid and the mandatory initiatives launched in 2021 have been added to them. Participation figures must therefore be read in continuity with respect to the entire time span represented.

*** Hours defined as the duration of the teaching units used.

Training for the prevention of money laundering**	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Participants [No.]	59,899	13,177	73,076	55,177	14,966	70,143	79,221	59,580	13,880	73,460
Hours of specific training [No.]***	183,231	47,368	230,599	280,856	38,012	318,869	337,893	178,489	30,113	208,603
Executives [%]	67.1	23.7	52.7	52.4	41.0	48.7	42.6	64.4	71.7	66.3
Middle managers [%]	91.3	50.2	84.8	85.6	60.6	81.6	74.3	78.0	66.6	76.5
Professional areas [%]	92.0	60.2	81.8	89.7	68.8	82.9	77.0	81.5	61.8	75.9
% collaborators who have received specific training on money laundering prevention	91.3	57.1	82.4	87.4	66.3	81.8	75.3	79.8	63.1	76.0
% of hours for specific training on money laundering prevention***	5.7	4.8	5.5	8.0	4.4	7.3	6.1	4.4	3.2	4.2

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Mandatory training is cyclical and not necessarily annual. The mandatory anti-corruption and anti-money laundering initiatives launched in 2019 and 2020 are still valid and the mandatory initiatives launched in 2021 have been added to them. Participation figures must therefore be read in continuity with respect to the entire time span represented.

*** Hours defined as the duration of the teaching units used.

Total training for the prevention of corruption and money laundering	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Participants [No.]**	60,645	16,738	77,383	57,375	17,136	74,511	84,515	61,009	14,884	75,893
Hours of specific training [No.]***	234,214	72,713	306,927	297,825	63,569	361,394	383,743	196,105	52,634	248,739
Executives [%]	71.1	24.3	55.6	63.4	71.2	65.9	57.9	71.0	71.0	71.0
Middle managers [%]	92.5	59.8	87.3	90.0	71.6	87.0	79.8	80.3	72.7	79.3
Professional areas [%]	92.9	77.8	88.1	92.3	77.4	87.5	81.4	83.1	66.1	78.3
Participants [%]	92.4	72.6	87.3	90.9	75.9	86.9	80.4	81.7	67.7	78.5
Hours of specific training/ Total training hours [%]**	7.3	7.4	7.3	8.5	7.4	8.3	6.9	4.9	5.6	5.0

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** In order to avoid duplication, the employees who participated in both types of courses (anti-corruption and anti-money laundering) are considered only once.

***Hours defined as the duration of the teaching units used.

Training for the protection of free competition [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Participants	54,748	0	54,748	57,986	1,448	59,434	65,422	64,670	666	65,336
Hours of training provided (classroom + remote learning)**	1,149,496	0	1,149,496	1,212,660	2,843	1,215,503	1,291,367	1,531,449	550	1,532,000

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Hours defined as the duration of the teaching units used.

Training for consumer protection [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Participants	46,342	1,789	48,131	58,338	3,362	61,700	70,849	69,126	6,595	75,721
Hours of training provided (classroom + remote learning)**	1,208,421	4,795	1,213,215	1,549,767	9,301	1,559,068	1,665,660	1,832,636	20,786	1,853,422

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Hours defined as the duration of the teaching units used.

Training for privacy protection [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Participants	59,568	3,260	62,828	56,617	5,235	61,852	67,385	54,660	7,881	62,541
Hours of training provided (classroom + remote learning)**	73,038	8,472	81,510	61,831	10,334	72,165	77,277	74,524	12,108	86,632

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Hours defined as the duration of the teaching units used.

Training on ESG issues	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Participants [No.]	54,566	53	54,619	57,426	2,324	59,750	66,807	70,704	3,632	74,336
Hours of training provided (classroom + remote learning) [No.]**	230,304	865	231,169	347,350	1,654	349,004	356,453	692,273	6,300	698,573
Participants on the total [%]	83.2	0.2	61.6	90.9	10.3	69.7	63.5	94.7	16.5	76.9
Hours of training provided on the total training hours (classroom + remote learning) [%]**	7.2	0.1	5.5	9.9	0.2	8.0	6.4	17.2	0.7	14.1

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Hours defined as the duration of the teaching units used.

SANCTIONS REGARDING ENVIRONMENTAL AND SOCIAL ISSUES

Sanctions for non-compliance with environmental regulations	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Sanctions [No.]	27	1	28	13	0	13	16	15	0	15
Amount [K euro]	6.4	1.5	7.9	1.8	0.0	1.8	2.8	3.6	0.0	3.6

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Sanctions for non-compliance with employee health and safety regulations	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Sanctions [No.]	20	2	22	7	0	7	7	14	1	15
Amount [K euro]	42.4	0.5	42.9	40.0	0.0	40.0	40.0	31.0	0.4	31.4

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

PROCEEDINGS AND DISCIPLINARY MEASURES TAKEN AGAINST EMPLOYEES

Proceedings pending with staff [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Termination of employment	17	96	113	6	96	102	102	8	50	58
Establishment and performance of the employment relationship	46	2	48	37	4	41	41	40	7	47
Duties and qualifications	23	20	43	20	10	30	30	20	2	22
Welfare and assistance	2	3	5	1	3	4	4	1	1	2
Remuneration	12	47	59	8	42	50	50	11	31	42
Anti-union behavior	0	0	0	0	0	0	1	0	0	0
Various	3	28	31	1	28	29	34	3	8	11
Requests made by the Provincial Directorate of Labor	1	0	1	0	0	0	0	0	0	0
Active (promoted by the Bank towards collaborators)	0	110	110	1	103	104	109	3	9	12

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020). There are no cases of mobbing ascertained with a final judgement.

Disciplinary measures [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Written censure and verbal or written reprimand	292	108	400	225	74	299	322	191	90	281
Reduction in remuneration	0	49	49	0	59	59	59	0	89	89
Suspension from work with subtraction of remuneration (from 1 to 10 days)	172	0	172	103	0	103	111	139	0	139
Dismissal for just cause or justified reason	23	90	113	16	71	87	87	13	69	82
Disciplinary sanctions for corruption against collaborators	0	0	0	0	0	0	0	0	0	0
Dismissal due to corruption	0	0	0	0	0	0	0	0	0	0

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

In Italy, collective bargaining provides for the information and prior consultation of workers' representatives in the event of significant restructuring, with a procedure within the company lasting 45 days while in the Group lasting 50 days.

INFORMATION ON TAXES - COUNTRY-BY-COUNTRY REPORTING

Country	Full-time equivalent employees	Revenues from third party sales (figures in thousands of euro)	Revenues from intra-group transactions (figures in thousands of euro)*	Profit/loss before tax (figures in thousands of euro)	Tangible assets other than cash and cash equivalents (figures in thousands of euro)	Corporate income tax paid on a cash basis (figures in thousands of euro)	Corporate income tax accrued on profit/loss (figures in thousands of euro)
ALBANIA	657	46,973	241	12,159	30,069	- 1,332	- 1,076
BOSNIA AND HERZEGOVINA	559	54,238	461	10,619	12,265	- 1,666	- 1,514
BRAZIL	39	15,110	399	2,061	483	- 900	- 1,040
CZECH REPUBLIC**	-	12,048	1,097	3,407	83	209	- 34
CHINA***	209	58,498	54,233	- 1,399	9,062	- 2,633	- 1,318
CROATIA	3,967	520,166	28,217	148,509	220,999	- 41,841	- 30,182
EGYPT	4,274	662,184	- 4	163,683	203,183	- 16,486	- 58,669
UNITED ARAB EMIRATES**	46	39,492	50,301	- 30	3,814	- 91	- 80
FRANCE***	48	37,164	36,147	44,905	4,519	- 26,564	- 10,233
GERMANY**	38	25,588	7,319	13,980	575	- 4,633	- 3,890
JAPAN**	14	8,055	4,596	4,155	483	- 1,120	- 1,953
IRELAND	180	4,135,355	9,242	452,027	2,776	- 60,284	- 54,116
CAYMAN ISLANDS	10	1,009	9	- 2,531	335	-	-
ITALY	78,488	27,501,406	4,942,436	- 91,758	9,685,560	- 1,046,273	- 292,571
LUXEMBOURG	344	1,394,120	87,553	439,996	56,958	- 27,654	- 108,849
MOLDOVA	353	13,668	63	- 1,331	12,269	- 743	-
POLAND**	17	12,731	11,170	7,188	504	- 3,005	- 1,158
QATAR**	4	- 4	-	3	250	- 6	- 6
UNITED KINGDOM***	353	133,306	98,938	85,857	18,782	- 8,965	- 20,517
ROMANIA	578	54,571	208	3,159	27,768	- 480	-
RUSSIA	1,055	60,703	2,747	679	16,932	- 1,116	- 1,388
SERBIA	3,106	311,608	1,752	93,281	86,463	- 16,925	- 10,957
SINGAPORE**	27	15,197	9,919	10,901	357	- 694	- 1,541
SLOVAKIA	4,056	561,647	- 9,778	116,969	125,933	- 13,144	- 16,422
SLOVENIA	639	77,152	1,411	15,547	36,151	- 7,306	- 2,686
SPAIN**	24	27,358	10,581	12,328	267	- 3,492	- 4,700
SWITZERLAND	-	27,763	427	- 39,456	22,205	- 223	-
TURKEY**	26	39,894	12,068	29,692	805	- 7,561	- 7,604
U.S.A.***	168	211,088	167,807	109,173	717	- 13,686	- 8,594
UKRAINE	816	20,032	42	- 4,613	8,908	17	-
HUNGARY	2,289	248,604	9,655	53,911	90,110	- 14,385	- 17,297
Total Intesa Sanpaolo Group companies	102,384			1,693,071			
Consolidation adjustments	-			- 1,678,459			
Intesa Sanpaolo Group consolidated	102,384			3,371,530			

The figures indicated relate to the 2020 tax period; this is because, in order to meet the GRI standard, the Intesa Sanpaolo Group also uses the data collected for the Country by Country Reporting introduced, in line with the OECD work relating to the Base Erosion and Profit Shifting project (BEPS), by Italian tax legislation (article 1, paragraph 145 of law no. 208/2015) which must be sent to the local tax authorities within 12 months of the end of the relevant tax period ("OECD CbCR").

As regards the source of the OECD CbCR data, they are mainly derived from the process for the preparation of the consolidated financial statements ("reporting package"). In line with OECD guidelines, the values of the columns "Revenues from third party sales", "Revenues from intra-group transactions or with other tax jurisdictions", "Tangible assets other than cash and cash equivalents", "Corporate income tax accrued on profit/loss" drawn from the OECD CbCR, not being subject to consolidation adjustments, are not reconciled with the data included in the consolidated financial statements.

The value referring to the "Corporate income tax paid on a cash basis" is not included in the reporting package of the consolidated financial statements; consequently, an additional form was sent to all group entities.

The values indicated in the "Profit/loss before tax" column are instead drawn from the Country by Country Reporting required by the CRD IV Directive [1] and are reconciled with the data included in the consolidated financial statements.

The values indicated in the "Full-time equivalent employees" column are also drawn from the Country by Country Reporting required by the CRD IV Directive. Compared to the disclosure included in the consolidated financial statements, the values are calculated on a full-time equivalent basis, according to the specific instructions given by the Bank of Italy on Country by Country Reporting (Circ. 285, Title III, Chap. 2).

With regard to the differences between the tax on income accrued on profits and the tax due, it is noted that these are mainly due to the effects of the participation exemption; to the reversal of taxes on "consolidated" dividends; to the adjustments of prepaid/deferred taxes also to take into account the filing of supplementary returns relating to previous years; to local tax increases or decreases.

For further information, reference is made to section 21 of the Notes to the consolidated financial statements - Part C - of the Consolidated Financial Statements of the Intesa Sanpaolo Group at 31 December 2020 (page 399).

* Please consider that, in line with the OECD guidelines related to the Country by Country Reporting, intra-group transactions within the same tax jurisdiction are also reported.

** In these jurisdictions, the Intesa Sanpaolo Group is present only with permanent establishments/branches that do not apply the branch exemption regime, whose income, therefore, is subject to the taxation of the parent company's country. (see Countries' company business)

*** In these jurisdictions, the Intesa Sanpaolo Group is present with various entities, including permanent establishments/branches that do not apply a branch exemption regime (see Countries' company business).

Group value and solidity*

MAIN ECONOMIC AND FINANCIAL RATIOS¹

	Intesa Sanpaolo Group (excluding UBI Banca Group)	Intesa Sanpaolo Group (including UBI Banca Group)
Personnel efficiency indexes [m euro]	2020	2021
Loans to customers / Number of employees	4.58	4.76
Operating income / Number of employees	0.20	0.21
Financial assets of customers ² / Number of employees	11.74	13.06
Capital ratios	2020	2021
Shareholders' equity / Loans to customers	14.2%	13.7%
Shareholders' equity / Financial assets of customers ²	5.6%	5.0%
Solvency coefficients	2020	2021
Common Equity Tier 1 capital net (CET1) of regulatory adjustments / Risk-weighted assets (Common Equity Tier 1 ratio)	14.7%	14.5%
Tier 1 Capital (TIER 1) / Risk-weighted assets	16.9%	16.4%
Total own funds / Risk-weighted assets	19.6%	19.1%
Income ratios	2020	2021
Income for the year / Average shareholders' equity ³	5.9%	7.6%
Operating costs / Operating income (Cost income Ratio)	54.1%	52.5%
Risk ratios	2020	2021
Net bad loans / Loans to customers	0.9%	0.5%
Cumulated adjustments on bad loans / Gross bad loans to customers	58.3%	70.4%

1. The indicators were calculated with reference to reclassified statements and figures published in the Intesa Sanpaolo Group's 2021 Consolidated Financial Statements. Figures were restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations. Comparative figures restated, where necessary and material, considering the changes in the scope of consolidation and discontinued operations. The "redetermined" figures in the reclassified income statement take account of both the acquisition of the UBI Group and the entry of the 100% equity investments in insurance companies with which the UBI Group had long-term partnerships – completed in the second quarter – and the effects of the related sales of branches in the first half of the year (in this regard, reference is made to paragraph "Highlights" of the 2021 Consolidated Financial Statements of the Intesa Sanpaolo Group). Details regarding the calculation of the "redetermined" figures are provided in the chapters "Economic results" and "Balance sheet aggregates" of the 2021 Consolidated Financial Statements of the Intesa Sanpaolo Group.

2. Customer financial assets: direct deposits from banking business, direct deposits from insurance business and technical reserves and indirect deposits, after netting, referred to components of indirect deposits which are also included in direct deposits.

3. Ratio of net income to shareholders' equity at the end of the year. The shareholders' equity does not take into account AT 1 equity instruments and the net income for the year.

* For further information on the impacts of COVID-19 on financial performance, reference is made to the Group's Consolidated Financial Statements for the years 2020 and 2021.

CALCULATION AND DISTRIBUTION OF ECONOMIC VALUE

FINANCIAL STATEMENT ITEMS* [M EURO]		Intesa Sanpaolo Group (including UBI Banca Group)*	Intesa Sanpaolo Group (including UBI Banca Group)
		2020	2021
10.	Interest and similar income	10,183	10,473
20.	Interest and similar expense	-2,451	-2,480
40.	Active commissions	10,312	12,087
50.	Passive commissions ¹	-1,581	-1,804
70.	Dividend and similar income	86	161
80.	Profits (Losses) on trading	628	503
90.	Fair value adjustments in hedge accounting	71	36
100.	Profits (Losses) on disposal or repurchase of:	633	758
	a) financial assets measured at amortised cost	-193	201
	b) financial assets measured at fair value through other comprehensive income	870	611
	c) financial liabilities	-44	-54
110.	Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss	-9	71
	a) financial assets and liabilities designated at fair value	57	-42
	b) other financial assets mandatorily measured at fair value	-66	113
115.	Profits (Losses) on financial assets and liabilities pertaining to insurance companies pursuant to IAS 39	3,463	4,754
130.	Net losses/recoveries for credit risks associated with:	-4,364	-2,843
	a) financial assets measured at amortised cost	-4,356	-2,813
	b) financial assets measured at fair value through other comprehensive income	-8	-30
135.	Net losses/recoveries pertaining to insurance companies pursuant to IAS39	-81	-26
140.	Profits (Losses) on changes in contracts without derecognition	-29	-29
160.	Net insurance premiums	10,842	10,557
170.	Other net insurance income (expense)	-12,802	-13,525
230.	Other operating expenses (income) ²	3,347	993
250. (partial)	Profits (Losses) on investments in associates and companies subject to joint control (realised gains/losses) ³	5	62
280.	Profits (Losses) on disposal of investments	101	289
320.	Profit (loss) from discontinued operations after tax	1,136	-
A	Total economic value generated	19,490	20,037
190.b (partial)	Other administrative expenses (net of indirect taxes and donations and charges for resolution funds and deposit guarantee) ⁴	-2,855	-2,894
	ECONOMIC VALUE DISTRIBUTED TO SUPPLIERS	-2,855	-2,894
190.a	Personnel expenses ⁵	-8,315	-8,106
	ECONOMIC VALUE DISTRIBUTED TO EMPLOYEES AND COLLABORATORS	-8,315	-8,106
340.	Minority interests	-8	142
	ECONOMIC VALUE DISTRIBUTED TO THIRD PARTIES	-8	142
350. (partial)	Parent Company net income (loss) - Share allocated to Shareholders ⁶	-2,626	-2,932
350. (partial)	Parent Company net income (loss) - Share allocated to holders of equity instruments ⁷	-278	-277
	ECONOMIC VALUE DISTRIBUTED TO SHAREHOLDERS AND HOLDERS OF EQUITY INSTRUMENTS	-2,904	-3,209
190.b (partial)	Other administrative expenses: indirect taxes	-1,021	-1,170
190.b (partial)	Other administrative expenses: charges for resolution funds and deposit guarantee	-710	-761
300. (partial)	Income taxes for the year (current taxes) ⁸	-429	500
	ECONOMIC VALUE DISTRIBUTED TO GOVERNMENT, ORGANISATIONS AND INSTITUTIONS	-2,160	-1,431
190.b (partial)	Other administrative expenses: donations ⁹	-12	-
230. (partial)	Other operating expenses/income: donations ⁹	-	-13
350. (partial)	Parent Company net income (loss) - Share allocated to charity funds ¹⁰	-17	-16
	ECONOMIC VALUE DISTRIBUTED TO THE COMMUNITY AND ENVIRONMENT	-29	-29
B	Total economic value distributed	-16,271	-15,527
C	Total economic value retained (withdrawn) by the corporate system¹¹	3,219	4,510

* The 2020 figures reflect the effects of the consolidation of the UBI Group starting from the acquisition date (hence for the August-December period). For additional details, reference is made to the 2020 Consolidated Financial Statements.

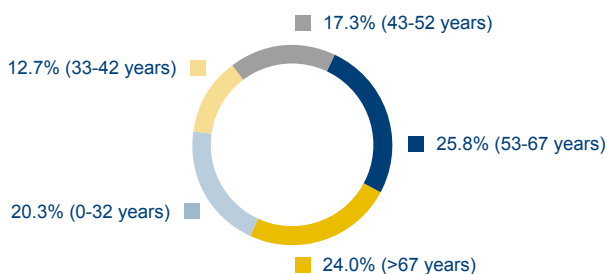
- The figures differ from those of the income statement in the annual report, as the remuneration of the financial consultant networks was reclassified as "Personnel expenses". The 2020 figure also includes the charges relating to the agreement on staff exit incentives signed with the trade unions as a result of the integration with UBI Banca.
- The 2020 figure includes the negative goodwill recognised on the UBI Group acquisition. The 2021 figure differs from the figure shown in the annual report due to the exclusion of the amounts relating to donations, recognised in a separate item.
- The figures differ from those of the income statement in the annual report due to the exclusion of unrealised gains/losses, now recognised in a separate item.
- The figures differ from the income statement figures shown in the annual report due to the exclusion of indirect taxes and donations (for 2020) and taxes and other charges relating to the banking system, recognised in a separate item.
- The figures differ from those of the income statement in the annual report as they also include the remuneration paid to the financial consultant networks.
- For the 2021 financial year, the amount takes into account the interim dividend distributed in November totalling 1,399 million euro (net of the undistributed portion of treasury shares held at the record date, amounting to approximately 2 million euro). For the 2020 financial year, the amount indicated takes into account the total dividends resolved by the Shareholders' Meeting on 28 April 2021, totalling 694 million euro (equal to the maximum then allowed by the European Central Bank Recommendation of 15 December 2020), and the subsequent additional cash distribution, resolved by the Shareholders' Meeting of 14 October 2021, totalling 1,932 million euro.
- Accrued interest relative to coupons on additional class 1 (AT1) equity instruments, recognised directly in the shareholders' equity.
- The figures differ from those of the income statement in the annual report due to the exclusion of deferred tax assets and liabilities, now recognised in a separate item.
- The figures differ from those in the "Community support" chapter since they only consider the amounts classified as "Donations" pursuant to the Group's accounting rules, recorded in this item.
- The figures include the amounts assigned to charity funds at the time of allocation of the operating profit.
- Net adjustments to/recoveries and provisions, deferred tax assets and liabilities and consolidated income net of dividends of the Parent Company.

The relationship with customers

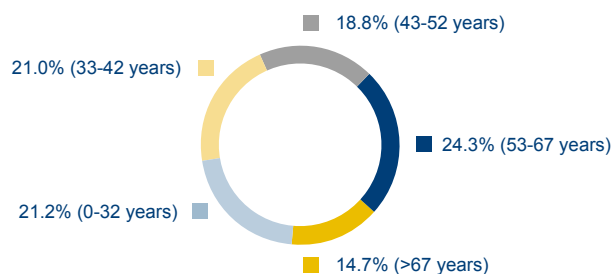
CUSTOMER COMPOSITION

Retail customers by age bracket [% - years]

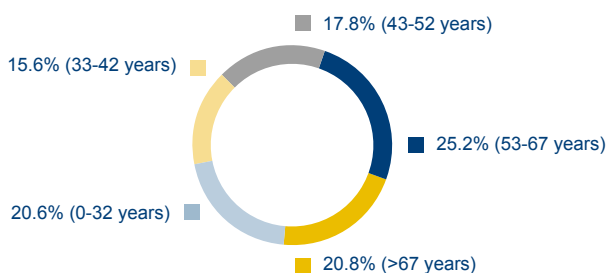
Italy



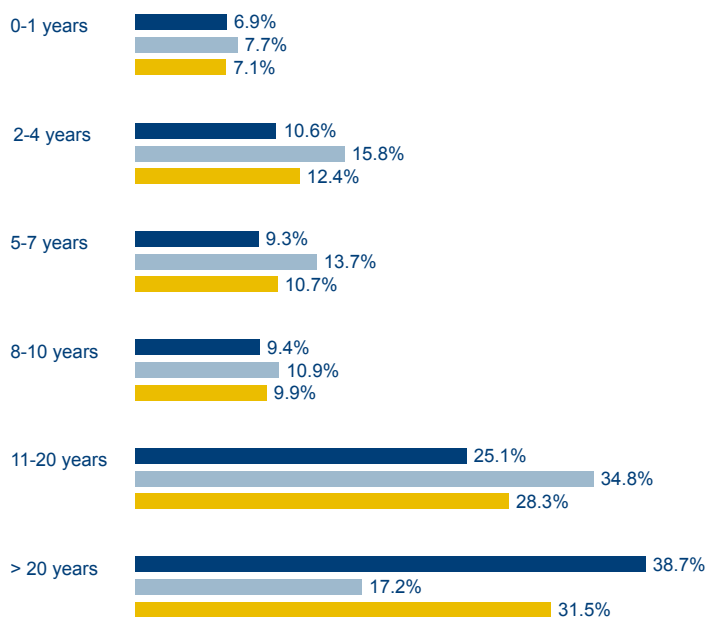
Abroad



Group



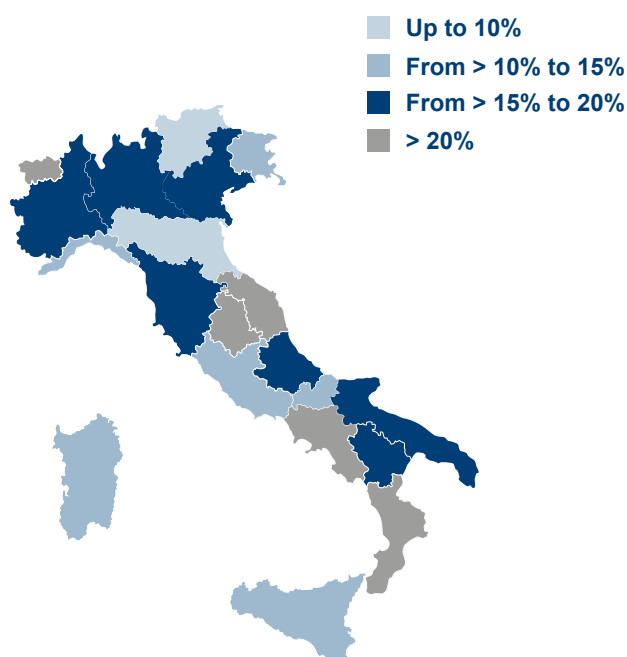
Retail customers by years of relationship with the bank [years - %]



Italy
Abroad
Group

Average in Italy: 17 years
Average abroad: 11 years
Average for the Group: 15 years

Market share of branches in Italy by region



Presence in Italian regions with a low population density [No.]*	Intesa Sanpaolo Group (excluding UBI Banca Group)				ISP + UBI		Intesa Sanpaolo Group (including UBI Banca Group)	
	2019		2020		2020		2021	
	Branches	Atm	Branches	Atm	Branches	Atm	Branches	Atm
Valle d'Aosta	19	43	19	41	20	42	17	38
Basilicata	34	48	31	49	48	69	33	64
Sardegna	80	143	74	139	75	140	64	131
Molise	9	21	9	21	16	31	9	23
Trentino Alto Adige	49	66	0	59	43	60	38	56

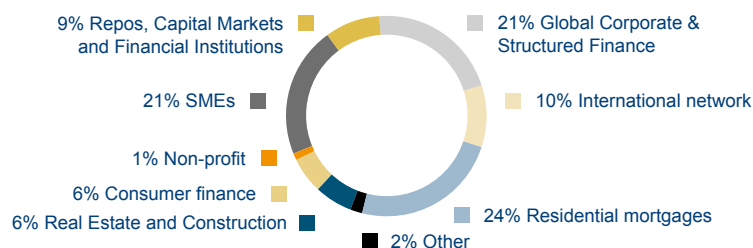
* Source: ISTAT 2021 Yearbook, resident population at 01/01/2021 and relative area data. Regions considered have less than 100 inhabitants per square kilometre.

Intesa Sanpaolo Group banks abroad [No.]*	Intesa Sanpaolo Group (excluding UBI Banca Group)				Intesa Sanpaolo Group (including UBI Banca Group)	
	2019		2020		2021	
	Branches	Atm	Branches	Atm	Branches	Atm
Albania	35	53	35	57	35	60
Croatia	278	1,140	254	1,141	244	1,073
Romania	33	41	32	34	33	35
Serbia	155	309	155	337	147	366
Slovakia	193	603	187	598	168	581
Ukraine	45	117	45	104	45	101
Hungary	64	123	63	122	61	120
Moldova	17	64	17	67	17	72
Egypt	175	437	176	481	175	544
Russian Federation	29	43	28	41	27	37

* The breakdown by country is carried out on the basis of the head office of the Parent Company for the international banking groups (PBZ in Croatia, VÚB Banka in Slovakia and CIB Bank in Hungary).

LOANS TO CUSTOMERS

Breakdown by business area



Breakdown by economic business sector

Intesa Sanpaolo Group (including UBI Banca Group)	
Breakdown by economic business sector	2021
Loans of the Italian banks and companies of the Group	
Households	30.4%
Public Administration	3.7%
Financial companies	7.8%
Non-financial companies of which:	45.5%
Utilities	4.8%
Services	4.3%
Real Estate	3.6%
Transportation means	3.4%
Distribution	3.0%
Construction and materials for construction	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%

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

OPERATIONS SUBJECT TO EQUATOR PRINCIPLES SCREENING

Project Finance [No.]*	Category A	Category B	Category C
Total	4	9	2
Sector			
Oil and gas	2		
Mining			
Energy	2	6	
Infrastructure		2	1
Other		1	1
Region			
Americas			
Europe, Middle East and Africa (EMEA)	3	4	1
Asia and Oceania	1	5	1
Type of country**			
Designated		3	1
Not designated	4	6	1
Independent audit			
Yes	4	8	1
No		1	1

Business Loans Associated With Projects [No.]*	Category A	Category B	Category C
Total	1	3	
Sector			
Oil and gas			
Energy		1	
Infrastructure	1	1	
Other		1	
Region			
Americas	1	2	
Europe, Middle East and Africa (EMEA)		1	
Type of country**			
Designated	1	1	
Not designated		2	
Independent audit			
Yes	1	3	
No			

* Refers to the number of projects that were financially completed in 2021.

** Designated countries: countries considered as having solid environmental and social governance, legal systems and an institutional capacity conceived to protect the population and natural environment. The list of designated countries is available on the Equator Principles Internet site. The Equator Principles envisage the assignment of a risk category to the projects to be financed (A is high, B medium and C low).

Project finance and business loans associated with projects closed during the year*	Intesa Sanpaolo Group (excluding UBI Banca Group)						Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Italy	Abroad	Group
Projects [No.]	11	0	11	5	5	10	13	6	19
Economic Value [m euro]	825	0	825	247	934	1,182	836	592	1,428

* Projects that were financially completed during the year.

SOCIAL IMPACT LOANS

Loans granted for social purposes [K euro]**	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Micro-finance	16,167	57,699	73,866	6,027	77,898	83,925	83,925	10,023	87,218	97,241
Anti-usury loans	1,480	0	1,480	1,305	0	1,305	7,130	14,661	0	14,661
Loans to the Third Sector	205,370	0	205,370	470,698	0	470,698	522,335	460,379	0	460,379
Products for vulnerable social groups	3,178,120	253,693	3,431,814	4,280,170	267,240	4,547,410	4,890,282	5,499,202	292,955	5,792,157
Support for people hit by disastrous events	136,907	0	136,907	32,071,647	0	32,071,647	34,778,449	14,264,890	0	14,264,890
Total	3,538,044	311,392	3,849,437	36,829,847	345,138	37,174,985	40,282,120	20,249,155	380,173	20,629,328

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** It includes medium/long term loans provided by the Third Sector network and by Banks in Italy. In 2021, the total of high social impact loans accounted for 26.6% of total loans disbursed by the Group (vs 42.5% in 2020). The trend of high social impact loans is mainly influenced by the disbursements relating to 2020 in favour of the category most hard hit by COVID-19, in response to the first phase of the pandemic, which were higher than in 2021. More specifically, in 2021 almost 14 billion euro in loans were granted by the Group as part of the "Liquidity Decree" (approximately 43 billion euro since the start of the health emergency).

RELATIONS WITH THE THIRD SECTOR

Third Sector Network	Intesa Sanpaolo Group (excluding UBI Banca Group)		ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)
	2019	2020	2020	2021
Customers [No.]	65,787	88,039	112,778	102,023
Customers with loans [No.]	11,993	14,642	18,017	16,781
Loans [K euro]	2,098,952	2,299,908	3,000,699	2,801,640
Direct funding [K euro]	4,108,541	5,502,362	6,748,773	6,916,666
Indirect funding [K euro]	1,707,867	1,822,228	3,106,736	2,127,330

SUSTAINABLE INVESTMENTS

Eurizon SGR: Funds pursuant to SFDR*	Intesa Sanpaolo Group (including UBI Banca Group)
	2021
Funds pursuant to arts. 8 and 9 [No.]	172
Funds pursuant to arts. 8 and 9: assets [billion euro]	110.6
Percentage of Funds pursuant to SFDR arts. 8 and 9 compared to the total assets of the Funds managed [%]	46

*Sustainable Finance Disclosure Regulation.

Eurizon SGR: engagement initiatives	Intesa Sanpaolo Group (excluding UBI Banca Group)		Intesa Sanpaolo Group (including UBI Banca Group)
	2019	2020	2021
Companies comprising the portfolios [No.]*	1,420	1,429	1,646
Companies for which engagement initiatives have been carried out [No.]	515	573	644
Companies for which ESG engagement initiatives have been carried [No.]	77	172	240
Companies included in the portfolios subject to ESG engagement [%]	5.4	12.0	14.6
Companies for which ESG engagement activities were carried out on the total of the companies subject to engagement [%]	15.0	30.0	37.3

* The overall number reported refers to issuers of equity in Italian funds.

Fideuram: Funds pursuant to SFDR*		2021
Funds pursuant to arts. 8 and 9 [No.]		8
Funds pursuant to arts. 8 and 9: assets [billion euro]		2.6
Percentage of Funds pursuant to SFDR arts. 8 and 9 compared to the total assets of the Funds managed [%]		3

*Sustainable Finance Disclosure Regulation.

The figures refer to the products managed by Fideuram Asset Management Ireland classified pursuant to arts. 8 and 9 SFDR as of December 31, 2021.

MULTI-CHANNEL

Distribution channels and automation of operations: Italy	Intesa Sanpaolo Group (excluding UBI Banca Group)		ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)
	2019	2020	2020	2021
Multi-channel contracts (stock)*	9,171,390	10,304,258	11,525,906**	12,866,019
Multi-channel contracts (stock)/no. of customers*	78.4%	87.7%	82.8%**	96.2%
Bank transfers automation [%]	90.2	93.7	93.1	94.4%
Securities automation [%]	66.4	85.1	84.2	85.2%
Remote Banking: active contracts at date	211,645	198,876	511,151	237,721
Remote Banking: orders	139,179,355	127,246,358	149,404,348	142,582,424

* Monitoring of the 2018-2021 Business Plan is performed on customers of the Banca dei Territori Division.

** Data recalculated considering the disposal of branches sold in 1H21.

Distribution channels: Abroad	Intesa Sanpaolo Group (excluding UBI Banca Group)				Intesa Sanpaolo Group (including UBI Banca Group)	
	2019		2020		2021	
	No. of multi-channel contracts (stock)	No. of multi-channel contracts (stock)/No. of customers	No. of multi-channel contracts (stock)	No. of multi-channel contracts (stock)/No. of customers	No. of multi-channel contracts (stock)	No. of multi-channel contracts (stock)/No. of customers
Albania	34,919	16%	43,769	19%	53,478	23%
Croatia	572,631	37%	622,859	34%	676,709	36%
Romania	16,262	26%	20,350	35%	19,415	33%
Serbia	571,424	46%	606,586	49%	648,863	52%
Slovakia	583,873	61%	621,242	70%	642,577	73%
Ukraine	58,985	67%	69,294	82%	75,998	100%
Hungary	316,290	90%	347,726	92%	349,736	92%
Moldova	0	0%	8,946	9%	12,543	16%
Russian Federation	38,826	27%	33,406	29%	23,349	36%

The breakdown by country is based on the Parent Company head office for international subsidiaries (PBZ in Croatia, VÚB Banka in Slovakia e CIB Bank in Hungary).

CYBERSECURITY

Training [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Participants	43,659	7,770	51,429	58,859	10,017	68,876	76,669	70,567	8,674	79,241
Hours of training provided (classroom + remote learning)**	205,281	16,090	221,371	185,880	28,415	214,295	225,903	183,671	30,125	213,796

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Hours defined as the duration of the teaching units used.

The entry into force of the General Data Protection Regulation - GDPR, specific guidelines of the IVASS Regulation and the ever-increasing attention paid by all institutions to the IT Security topic resulted in a significant investment in cybersecurity training.

CUSTOMER EXPERIENCE

Net promoter score (NPS) performance by type of customer	Intesa Sanpaolo Group (excluding UBI Banca Group)		
	2019	2020	2021
Retail*	20	21	21
Exclusive*	7	15	19
Businesses	11	22	20
Third Sector*	-	25	25
Agribusiness**	-	-	14

Findings collected from Banca dei Territori customers. In 2019 it was established that the reference channel for surveys would be the telephone. Therefore, since 2019 all the data has been calculated by applying a correction that enables the votes collected through different channels to be made comparable with those gathered by telephone.

* Since 2020, the results for Retail and Exclusive customers refer to the Individuals Service Model in force since January 2020, and are compared with the 2019 and 2018 results (already published in the relevant CNFS), which corresponded to the Retail and Personal segments (both to the previous Service Model). Furthermore, the 2020 figure includes the Third Sector for the first time and the Retail Business responses as part of the general Retail responses.

** Surveys on Agribusiness customers were launched for the first time in June 2021.

CLAIMS, COMPLAINTS AND APPEALS

Type [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Loans	18,569	4,945	23,514	26,693	8,688	35,381	41,867	31,814	7,504	39,318
Payment systems	11,275	24,328	35,603	15,426	25,559	40,985	43,808	22,235	29,139	51,374
Organisational issues, Internet site, other	12,873	7,447	20,320	17,093	6,775	23,868	24,211	19,614	5,469	25,083
Insurance products	8,289	115	8,404	12,905	156	13,061	13,148	13,803	195	13,998
Current accounts, deposits and securities dossier	4,327	6,333	10,660	5,164	5,890	11,054	12,092	7,872	6,263	14,135
Investments	3,391	165	3,556	3,512	222	3,734	3,921	2,440	227	2,667
Total	58,724	43,333	102,057	80,793	47,290	128,083	139,047	97,778	48,797	146,575

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

With regard to requests received from customers regarding personal data protection, in Italy 140 reports were received in 2021 for an alleged violation of the Privacy Code, and 11 requests for feedback from the Italian Data Protection Authority, in relation to claims submitted to it at the customer's initiative as part of the exercise of the data access right (out of a total of 15 requests from the Italian Data Protection Authority towards companies belonging to the Group for which the feedback needed was provided). Abroad in the EU, the local Data Protection Officers handled 135 reports for alleged breach of the data protection regulations and 13 requests for feedback from the local Data Protection Authority in relation to claims submitted to the Authorities from customers.

Community support

CONTRIBUTION TO THE COMMUNITY

Contribution to the community by type [K euro]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Monetary contribution to the community	83,304	2,820	86,124	180,474	4,011	184,485	186,910	77,974	2,455	80,429
Goods and services donated to the community	0	23	23	5	35	40	45	0	5	5
Time contributions	73	99	172	0	30	30	30	11	22	34
Operating costs	5,871	331	6,203	5,875	353	6,228	6,991	5,862	508	6,370
Overall contribution to the community	89,248	3,273	92,521	186,354	4,429	190,783	193,976	83,848	2,990	86,837

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

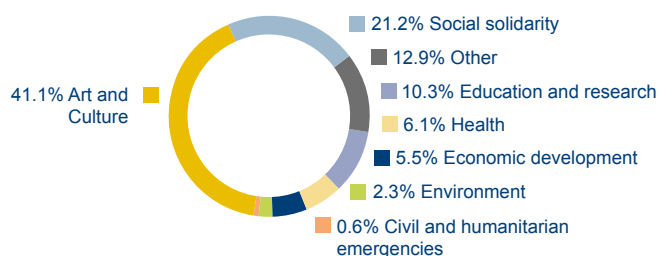
Contribution to the community: geographic distribution [K euro]**	Intesa Sanpaolo Group (excluding UBI Banca Group)			ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)	
	2019		2020	2020	2021	
European Union	90,977		189,003	192,196	85,328	
Other European countries	646		317	317	589	
Africa	896		1,457	1,457	920	
South America	2		6	6	0	
Total contribution to the community	92,521		190,783	193,976	86,837	

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

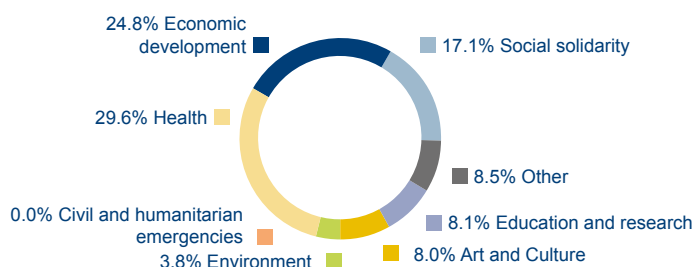
** Data recorded based on the geographic area of the Group Bank making the contribution.

Monetary contribution to the community by area of activity [%]

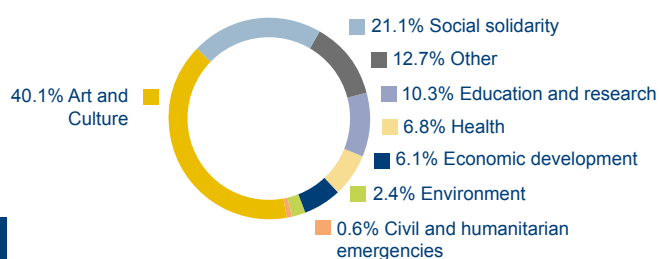
Italy



Abroad



Group



Monetary contribution to the community by area of activity [K euro]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Art and Culture	50,753	491	51,243	28,380	267	28,646	29,686	32,036	197	32,232
Social solidarity	13,584	392	13,976	24,249	476	24,726	24,836	16,560	420	16,980
Health	2,113	408	2,521	104,831	1,020	105,850	106,051	4,723	726	5,449
Education and research	6,772	146	6,918	6,237	215	6,452	6,760	8,058	200	8,258
Civil and humanitarian emergencies	705	0	705	12,138	951	13,089	13,091	443	1	443
Economic development	4,879	762	5,641	2,189	647	2,836	3,105	4,284	609	4,894
Environment	831	15	847	720	10	730	730	1,826	93	1,919
Other	3,667	605	4,272	1,730	425	2,156	2,652	10,045	210	10,254
Total monetary contribution to the community	83,304	2,820	86,124	180,474	4,011	184,485	186,910	77,974	2,455	80,429

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

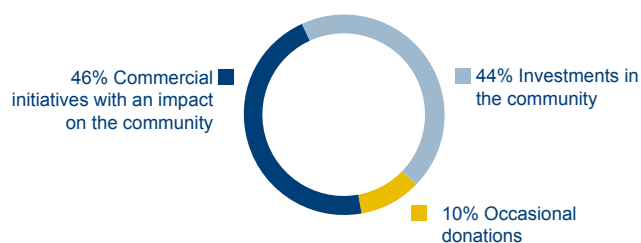
Monetary contribution to the community by reason [K euro]**	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Occasional donations	3,274	210	3,485	114,460	279	114,738	115,201	7,510	482	7,992
Investments in the community	50,842	1,523	52,366	31,478	2,904	34,382	35,542	34,623	1,004	35,626
Commercial initiatives with an impact on the community	29,188	1,086	30,274	34,536	829	35,365	36,167	35,841	970	36,811
Total monetary contribution to the community	83,304	2,820	86,124	180,474	4,011	184,485	186,910	77,974	2,455	80,429

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

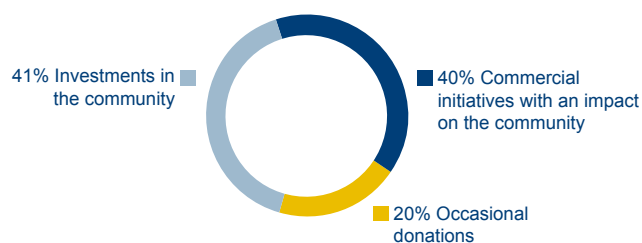
** The trend of monetary contribution to the community is significantly influenced by the fact that in 2020 the Group provided immediate support to the health care system to deal with the COVID-19 emergency: among others, the disbursement of over 100 million euro to strengthen the National Health Service through the Department of Civil Protection.

Monetary contribution to the community by reason [%]

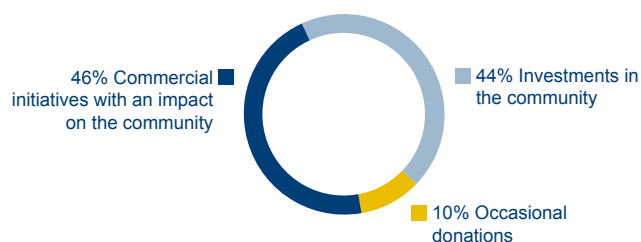
Italy



Abroad



Group



CONTRIBUTION TO THE COMMUNITY

Company voluntary work	Intesa Sanpaolo Group (excluding UBI Banca Group)						Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Italy	Abroad	Group
Total monetary contribution of hours of company voluntary work [K euro]	73	99	172	0	30	30	11	22	34
Hours of company voluntary work [No.]	2,190	8,142	10,332	0	2,310	2,310	310	1,788	2,098
Staff involved in company voluntary work [No.]	295	1,198	1,493	0	205	205	40	194	234

MEDIA RELATIONS

Type [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)		Intesa Sanpaolo Group (including UBI Banca Group)
	2019	2020	2021
Press releases and analysis	1,988	2,104	2,070
Press conferences and interviews	963	1,106	1,247
Speeches by managers at events covered by the press office	480	663	641

Responsible supply chain management

Total gross revenue	Intesa Sanpaolo Group (excluding UBI Banca Group)		ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)
	2019	2020	2020	2021
Total Group gross revenue [K euro]	2,488,000	2,460,000	2,761,433	2,899,000

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Suppliers - Supplier Gate*	Intesa Sanpaolo Group (excluding UBI Banca Group)		ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)
	2019	2020	2020	2021
Suppliers [No.]	5,569	7,352	9,004	10,058
of which:				
Italy [No.]	3,572	4,237	5,778	5,999
Europe (excluding Italy) [No.]	1,871	2,937	3,016	3,834
Rest of the world [No.]	126	178	210	225
Share of orders from Europe to (Breakdown by supplier registered office)				
Europe [%]	98	99	99	98
Rest of the world [%]	2	1	1	2

* The figures refer exclusively to suppliers whose registration with the Intesa Sanpaolo Group's Supplier Gate is ongoing or has been completed.

Group's people

COMPOSITION

Group staff breakdown by country [No.]	Intesa Sanpaolo Group (including UBI Banca Group)		
	2021		
	Men	Women	Total
Italy	36,962	37,723	74,685
Luxembourg	132	79	211
Ireland	20	14	34
Egypt	3,109	1,191	4,300
Albania	184	475	659
Croatia	1,343	3,582	4,925
Romania	158	410	568
Serbia	792	2,286	3,078
Hungary	695	1,541	2,236
Slovakia	1,114	2,670	3,784
Ukraine	167	606	773
Russian Federation	258	717	975
Brazil	32	15	47
Moldova	123	237	360
United States	33	13	46
Group	45,122	51,559	96,681

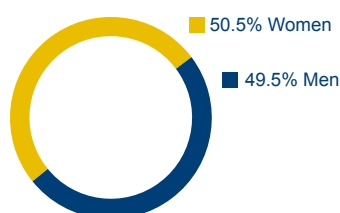
The figures exclude employees with atypical contracts.

Employees from foreign subsidiaries of Italian companies are included in the scope of Italy.

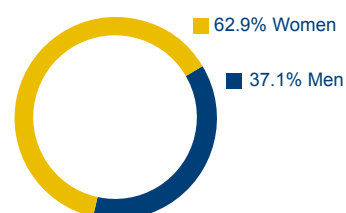
The breakdown by country is based on the parent company head office for international subsidiaries (PBZ in Croatia, VÚB Banka in Slovakia and CIB Bank in Hungary).

Breakdown of staff by gender

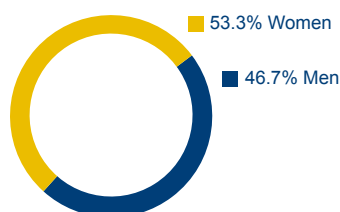
Italy



Abroad



Group



Female bank employees in Italy account for 47.0% of staff, against 53.0% male employees.

Employees by type of contract and gender [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Open-ended contracts	65,593	20,300	85,893	63,126	20,029	83,155	102,495	74,615	19,439	94,054
Men	32,178	7,516	39,694	30,699	7,333	38,032	48,930	36,928	7,051	43,979
Women	33,415	12,784	46,199	32,427	12,696	45,123	53,565	37,687	12,388	50,075
Fixed-term contracts	19	2,654	2,673	20	2,424	2,444	2,455	15	2,451	2,466
Men	10	1,114	1,124	8	1,067	1,075	1,081	8	1,073	1,081
Women	9	1,540	1,549	12	1,357	1,369	1,374	7	1,378	1,385
Apprenticeships	0	116	116	0	117	117	233	55	106	161
Men	0	42	42	0	39	39	97	26	36	62
Women	0	74	74	0	78	78	136	29	70	99

Employees by type of contract and gender [%]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Open-ended contracts	99.97	87.99	96.86	99.97	88.74	97.01	97.44	99.91	88.38	97.28
Men	49.04	32.58	44.76	48.62	32.49	44.37	46.52	49.45	32.06	45.49
Women	50.93	55.41	52.10	51.35	56.25	52.64	50.93	50.46	56.32	51.79
Fixed-term contracts	0.03	11.50	3.01	0.03	10.74	2.85	2.33	0.02	11.14	2.55
Men	0.02	4.83	1.27	0.01	4.73	1.25	1.03	0.01	4.88	1.12
Women	0.01	6.68	1.75	0.02	6.01	1.60	1.31	0.01	6.26	1.43
Apprenticeships	0.00	0.50	0.13	0.00	0.52	0.14	0.22	0.07	0.48	0.17
Men	0.00	0.18	0.05	0.00	0.17	0.05	0.09	0.03	0.16	0.06
Women	0.00	0.32	0.08	0.00	0.35	0.09	0.13	0.04	0.32	0.10

Figures for Italy for bank staff are as follows: open-ended contracts (98.6%), fixed-term contracts (0.6%) and apprenticeships (0.8%).

Other types of work	Intesa Sanpaolo Group (excluding UBI Banca Group)			ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)
	2019		2020	2020	2021
Employees hired with mixed employment contracts [No.]*	153		380	380	858

* The data have been considered since this type of contract was used and do not refer solely to the indicated year.

Flexible work	Intesa Sanpaolo Group (excluding UBI Banca Group)			ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)
	2019		2020	2020	2021
Employees eligible to flexible work [No.]	17,250		65,500	80,500	78,000

Atypical contracts and work placements [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Temporary agency employment contracts	18	117	135	38	56	94	101	38	37	75
Men	6	42	48	18	29	47	51	17	17	34
Women	12	75	87	20	27	47	50	21	20	41
Temporary employment contracts	24	0	24	26	0	26	26	21	0	21
Men	21	0	21	23	0	23	23	19	0	19
Women	3	0	3	3	0	3	3	2	0	2
Work placements	304	133	437	454	134	588	611	113	133	246
Men	176	51	227	225	45	270	280	48	45	93
Women	128	82	210	229	89	318	331	65	88	153

Financial advisors [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)			Intesa Sanpaolo Group (including UBI Banca Group)	
	2019		2020	2021	
	Italy			Italy	
Financial advisors	5,834		5,727	6,594	
Men	4,590		4,491	5,191	
Women	1,244		1,236	1,403	

Overall workforce [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Overall workforce	71,792	23,320	95,112	69,391	22,760	92,151	111,648	81,451	22,166	103,617
Men	36,981	8,765	45,746	35,464	8,513	43,977	54,953	42,237	8,222	50,459
Women	34,811	14,555	49,366	33,927	14,247	48,174	56,695	39,214	13,944	53,158

Includes staff, other employees (with various types of contracts) and financial advisors.

Employees by category and gender [% of total employees]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Executives	1.6	2.2	1.7	1.6	2.2	1.8	1.8	1.7	2.2	1.8
Men	1.2	1.3	1.3	1.3	1.4	1.3	1.3	1.4	1.3	1.4
Women	0.3	0.9	0.5	0.4	0.9	0.5	0.4	0.4	0.9	0.5
Middle managers	42.4	22.8	37.3	42.2	22.7	37.1	38.1	42.1	22.0	37.5
Men	25.6	12.9	22.3	25.3	12.8	22.0	23.5	25.8	12.2	22.7
Women	16.7	9.8	14.9	16.9	9.9	15.0	14.6	16.3	9.8	14.8
Professional areas	56.1	75.0	61.0	56.2	75.1	61.2	60.1	56.2	75.8	60.6
Men	22.2	23.3	22.5	22.0	23.2	22.4	22.8	22.3	23.6	22.6
Women	33.9	51.7	38.5	34.2	51.8	38.8	37.3	33.9	52.2	38.0

Figures for Italy for bank staff are as follows: executives (2.4%), middle managers (41.9%) and professional areas (55.7%).

Employees - Breakdown by category and gender [% of the category total]	Intesa Sanpaolo Group (excluding UBI Banca Group)				ISP + UBI		Intesa Sanpaolo Group (including UBI Banca Group)	
	2019		2020		2020		2021	
	Men	Women	Men	Women	Men	Women	Men	Women
Executives	73.4	26.6	72.6	27.4	75.4	24.6	74.0	26.0
Middle managers	60.0	40.0	59.4	40.6	61.6	38.4	60.6	39.4
Executives + Middle managers	60.6	39.4	60.0	40.0	62.3	37.7	61.2	38.8
Professional areas	36.8	63.2	36.6	63.4	37.9	62.1	37.3	62.7

Intesa Sanpaolo Group (including UBI Banca Group)	
Positions reporting directly to the CEO* [%]	2021
% Women over the total of first level reports	6
% Women over the total of second level reports	20
% Women over the total of first and second level reports	18

* Chief Executive Officer.

Part-time employees by gender	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Number of part-time employees/ total staff [%]	15.7%	1.3%	11.9%	16.0%	1.4%	12.2%	12.7%	16.2%	1.4%	12.8%
Breakdown of part-time employees by gender [No.]	10,287	290	10,577	10,115	326	10,441	13,365	12,110	313	12,423
Men	724	49	773	894	50	944	1,133	1,277	39	1,316
Women	9,563	241	9,804	9,221	276	9,497	12,232	10,833	274	11,107

In Italy, part-time personnel account for 16.2%, about 3.6% more than the Italian figure for the banking sector (12.6%).

Average age of employees	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Average age of employees	48.2	41.0	46.3	48.4	41.1	46.5	46.7	48.5	41.1	46.8
Men	49.4	41.8	47.8	49.6	41.6	47.9	48.1	49.5	41.5	48.1
Women	47.0	40.6	45.1	47.4	40.7	45.4	45.5	47.4	40.8	45.6
Executives	53.3	46.2	50.9	53.7	46.7	51.4	51.9	54.3	47.2	52.4
Middle managers	51.3	46.4	50.5	51.5	46.2	50.7	50.7	51.6	46.3	50.9
Professional areas	45.7	39.3	43.6	46.0	39.3	43.8	44.0	45.9	39.3	44.0

Figures for Intesa Sanpaolo and Italy for leading banks are comparable: average age of employees (48.3), men (49.5), women (47.2), executives (53.5), middle managers (51.1) and professional areas (46.0).

Employees by age bracket [%]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
<=30	3.1	16.7	6.6	2.9	17.8	6.8	6.5	3.5	18.4	6.9
Men	1.7	6.4	2.9	1.6	7.0	3.0	2.9	1.8	7.1	3.0
Women	1.4	10.3	3.7	1.3	10.7	3.8	3.6	1.8	11.3	3.9
31-50	52.0	62.0	54.6	51.0	61.5	53.8	54.2	50.1	61.3	52.6
Men	21.9	21.1	21.7	21.4	21.2	21.3	22.8	21.9	21.3	21.7
Women	30.1	40.9	32.9	29.6	40.4	32.5	31.4	28.2	40.0	30.9
>50	44.9	21.3	38.8	46.1	20.7	39.4	39.4	46.4	20.3	40.5
Men	25.5	10.1	21.5	25.6	9.2	21.3	22.0	25.9	8.7	21.9
Women	19.4	11.2	17.3	20.4	11.5	18.1	17.4	20.5	11.7	18.5

The Italian industry figures for the percentage breakdown of bank employees by age group are as follows: ≤ 30 (4.5%), 31 - 50 (53.4%) e > 50 (42.1%).

Intesa Sanpaolo Group (including UBI Banca Group)			
Foreign Banks: senior manager hired in the local community	2021		
	First line managers [No.]	First line managers (local recruitment) [No.]	Front line managers hired in the local community/front line managers [%]
Albania	12	10	83.3
Croatia	41	32	78.0
Romania	13	11	84.6
Serbia	14	13	92.9
Slovakia	18	14	77.8
Ukraine	12	9	75.0
Hungary	13	11	84.6
Moldova	9	7	77.8
Egypt	14	11	78.6
Russian Federation	17	16	94.1

The breakdown by country is based on the parent company head office for international subsidiaries (PBZ in Croatia, VÚB Banka in Slovakia and CIB Bank in Hungary).

Employees by level of education and gender [%]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Graduates	40.2	71.3	48.3	41.6	72.2	49.6	49.2	43.9	72.8	50.5
Men	19.5	28.8	21.9	20.0	29.1	22.4	22.8	21.2	28.9	23.0
Women	20.7	42.5	26.4	21.6	43.1	27.2	26.5	22.7	44.0	27.5
High school certificate	55.0	26.1	47.5	53.5	25.3	46.0	46.7	50.7	24.3	44.7
Men	26.1	7.2	21.2	25.2	6.9	20.4	22.1	24.6	6.8	20.6
Women	28.9	18.8	26.2	28.3	18.4	25.7	24.6	26.1	17.6	24.2
Other	4.8	2.6	4.3	4.9	2.6	4.3	4.1	5.4	2.8	4.8
Men	3.4	1.6	3.0	3.4	1.4	2.9	2.7	3.6	1.5	3.1
Women	1.4	1.0	1.3	1.6	1.1	1.4	1.3	1.7	1.4	1.7

Intesa Sanpaolo and Italian industry figures for education of leading banks are comparable: graduates and post-graduates (44.0%), high school certificate (53.0%), other (3.0%).

Average employee seniority [years]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Total average seniority	21.6	12.7	19.3	21.7	11.6	19.1	19.3	21.4	11.5	19.1
Men	22.0	13.1	20.1	22.0	11.8	19.8	20.1	21.6	11.7	19.8
Women	21.3	12.5	18.6	21.5	11.4	18.4	18.6	21.2	11.4	18.5
Executives	20.5	13.3	18.1	20.8	12.6	18.1	18.5	21.0	12.8	18.8
Middle managers	24.6	18.5	23.6	24.7	17.2	23.5	23.5	24.4	17.1	23.4
Professional areas	19.4	11.0	16.7	19.5	9.8	16.4	16.7	19.2	9.9	16.5

Employees belonging to protected categories [%]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Disabled persons	4.8	1.7	4.0	4.9	1.8	4.1	4.4	5.1	1.9	4.3
Men	2.7	0.6	2.1	2.7	0.7	2.1	2.3	2.7	0.6	2.3
Women	2.1	1.1	1.9	2.2	1.1	1.9	2.0	2.3	1.3	2.1
Protected categories	1.4	1.0	1.3	1.3	0.9	1.2	1.2	1.3	0.9	1.2
Men	0.7	0.1	0.6	0.7	0.1	0.5	0.5	0.6	0.1	0.5
Women	0.6	1.0	0.7	0.6	0.8	0.7	0.7	0.6	0.8	0.7

Employment by gender and age [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Total	1,196	3,225	4,421	785	2,246	3,031	3,071	1,380	2,611	3,991
Men	678	1,211	1,889	431	858	1,289	1,314	665	942	1,607
Women	518	2,014	2,532	354	1,388	1,742	1,757	715	1,669	2,384
<=30	631	1,807	2,438	432	1,180	1,612	1,636	976	1,397	2,373
31-50	531	1,336	1,867	336	1,012	1,348	1,363	366	1,114	1,480
>50	34	82	116	17	54	71	72	38	100	138

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Employment rate by gender and age [%]	Intesa Sanpaolo Group (excluding UBI Banca Group)						Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Italy	Abroad	Group
Total	1.8	14.0	5.0	1.2	10.0	3.5	1.8	11.9	4.1
Men	2.1	14.0	4.6	1.4	10.2	3.3	1.8	11.5	3.6
Women	1.5	14.0	5.3	1.1	9.8	3.7	1.9	12.1	4.6
<=30	31.5	46.9	41.7	23.4	29.4	27.5	36.9	34.5	35.5
31-50	1.6	9.3	3.9	1.0	7.3	2.9	1.0	8.3	2.9
>50	0.1	1.7	0.3	0.1	1.2	0.2	0.1	2.2	0.4

Termination by gender and age [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Total	3,819	3,599	7,418	3,363	2,709	6,072	6,237	4,358	3,167	7,525
Men	2,206	1,426	3,632	1,969	1,061	3,030	3,138	2,651	1,209	3,860
Women	1,613	2,173	3,786	1,394	1,648	3,042	3,099	1,707	1,958	3,665
<=30	159	796	955	114	661	775	792	162	770	932
31-50	460	1,818	2,278	300	1,372	1,672	1,737	679	1,651	2,330
>50	3,200	985	4,185	2,949	676	3,625	3,708	3,517	746	4,263

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Termination rate by gender and age [%]	Intesa Sanpaolo Group (excluding UBI Banca Group)						Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Italy	Abroad	Group
Total	5.8	15.6	8.4	5.3	12.0	7.1	5.8	14.4	7.8
Men	6.9	16.4	8.9	6.4	12.6	7.7	7.2	14.8	8.6
Women	4.8	15.1	7.9	4.3	11.7	6.5	4.5	14.2	7.1
<=30	7.9	20.7	16.3	6.2	16.5	13.2	6.1	19.0	13.9
31-50	1.3	12.7	4.7	0.9	9.9	3.6	1.8	12.2	4.6
>50	10.9	20.0	12.2	10.1	14.5	10.7	10.1	16.7	10.9

Termination by reason [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Employment ended in the year	3,819	3,599	7,418	3,363	2,709	6,072	6,237	4,358	3,167	7,525
Resignation	619	1,382	2,001	427	904	1,331	1,423	900	1,193	2,093
Retirement	162	187	349	135	182	317	320	89	172	261
Exit incentives	2,838	0	2,838	2,663	0	2,663	2,711	3,202	0	3,202
Death	86	22	108	73	34	107	115	76	40	116
Other reasons - with incentives	14	824	838	10	578	588	588	17	607	624
Other reasons - without incentives	55	1,014	1,069	42	801	843	853	68	988	1,056
Expiry of fixed-term contracts	45	170	215	13	210	223	227	6	167	173

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Turnover by gender and age	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Total	-2,623	-374	-2,997	-2,578	-463	-3,041	-3,166	-2,978	-556	-3,534
Men	-1,528	-215	-1,743	-1,538	-203	-1,741	-1,824	-1,986	-267	-2,253
Women	-1,095	-159	-1,254	-1,040	-260	-1,300	-1,342	-992	-289	-1,281
<=30	472	1,011	1,483	318	519	837	844	814	627	1,441
31-50	71	-482	-411	36	-360	-324	-374	-313	-537	-850
>50	-3,166	-903	-4,069	-2,932	-622	-3,554	-3,636	-3,479	-646	-4,125

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Turnover rate by gender and age [%]	Intesa Sanpaolo Group (excluding UBI Banca Group)						Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Italy	Abroad	Group
Total	-3.8	-1.6	-3.3	-3.9	-2.0	-3.4	-3.8	-2.5	-3.5
Men	-4.5	-2.4	-4.1	-4.8	-2.3	-4.3	-5.1	-3.2	-4.8
Women	-3.2	-1.1	-2.6	-3.1	-1.8	-2.7	-2.6	-2.0	-2.4
<=30	30.8	35.6	33.9	20.8	14.9	16.7	44.5	18.3	27.5
31-50	0.2	-3.3	-0.8	0.1	-2.5	-0.7	-0.8	-3.8	-1.6
>50	-9.7	-15.5	-10.6	-9.2	-11.8	-9.5	-9.1	-12.6	-9.5

The turnover rate is determined as the delta between the percentage incidence of hires and terminations of the reference year in relation to the workforce at the start of the year. The workforce at the start of the year is given by the workforce at the end of the year by subtracting the hires and including the terminations that occurred in the period.

PROFESSIONAL DEVELOPMENT

Number of promotions by gender	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Total	2,958	2,960	5,918	3,371	2,179	5,550	7,216	5,922	2,227	8,149
Men [No.]	1,414	1,463	2,877	1,547	1,274	2,821	3,738	2,688	908	3,596
Women [No.]	1,544	1,497	3,041	1,824	905	2,729	3,478	3,234	1,319	4,553
Staff promoted [%]	4.5	12.8	6.7	5.3	9.7	6.5	6.9	7.9	10.1	8.4
Men [% of staff promoted]	47.8	49.4	48.6	45.9	58.5	50.8	51.8	45.4	40.8	44.1
Women [% of staff promoted]	52.2	50.6	51.4	54.1	41.5	49.2	48.2	54.6	59.2	55.9

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Average gross base salary by category and gender - FTE* [K euro]	Intesa Sanpaolo Group (excluding UBI Banca Group)						Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Italy	Abroad	Group
Executives	153.3	70.6	125.8	156.0	76.7	129.6	155.5	79.4	134.6
Men	159.4	79.3	137.0	163.0	88.6	141.5	160.6	91.9	144.8
Women	129.7	56.5	94.7	132.1	56.8	98.1	136.8	58.9	105.9
Middle managers	58.4	22.2	52.6	59.7	23.3	53.8	61.3	25.8	56.6
Men	60.4	20.6	54.3	61.7	23.4	55.9	63.5	26.4	58.9
Women	55.2	24.4	49.9	56.5	23.1	50.6	57.8	25.1	52.8
Professional areas	39.4	13.6	30.8	40.4	13.6	31.4	41.2	14.2	33.2
Men	39.4	14.3	32.4	40.4	15.2	33.3	41.2	15.8	34.9
Women	39.4	13.3	29.9	40.4	12.9	30.3	41.2	13.5	32.1

Basic salary levels for female staff, with comparable roles and seniority terms, do not differ from salary levels for male staff.

* The reported figures are calculated on the basis of Full Time Equivalent (FTE) employees in order to provide a more accurate and truthful representation of average wages and salaries on the basis of gender and professional category.

Average remuneration by category and gender - FTE* [K euro]	Intesa Sanpaolo Group (excluding UBI Banca Group)						Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Italy	Abroad	Group
Male executives	256.2	112.6	215.9	267.8	115.7	224.0	278.6	116.7	241.2
Female executives	205.4	71.5	141.5	210.1	70.4	146.9	224.5	70.0	163.2
Male middle managers	67.9	26.4	61.5	70.6	28.2	64.1	70.7	30.5	65.8
Female middle managers	61.5	27.6	55.6	63.6	26.4	57.1	64.0	27.6	58.5
Male professional areas	42.0	16.0	34.8	43.5	17.1	36.0	43.6	17.4	37.1
Female professional areas	42.1	14.4	32.0	43.5	13.8	32.6	43.7	14.5	34.2
Average annual remuneration of all employees	55.5	19.5	45.9	57.6	19.6	47.3	58.3	20.3	49.5
Ratio between the CEO's remuneration and the average remuneration of all employees**	77.9			74.0			80.3		
Median annual total compensation of all employees	49.0			50.5			50.8		
Ratio between the CEO's remuneration and the median annual total compensation for all employees**	88.2			84.5			92.2		

This includes the basic gross average salary and the variable component.

* The reported figures are calculated on the basis of Full Time Equivalent (FTE) employees in order to provide a more accurate and truthful representation of average wages and salaries on the basis of gender and professional category.

** Despite the increase in employees' remuneration - in terms of both average and median remuneration levels - recorded from 2020 to 2021, the increase in the ratio between the remuneration paid to the CEO and to all employees in Italy is solely determined by the increase in the variable components settled in 2021 and arising from incentive systems pertaining to previous years. Further information is available in the Report on Remuneration.

Women/men base salary and remuneration ratio - FTE* [%]	Intesa Sanpaolo Group (excluding UBI Banca Group)						Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Italy	Abroad	Group
Ratio of gross base salary women vs. men - FTE									
Executives	0.8	0.7	0.7	0.8	0.6	0.7	0.9	0.6	0.7
Middle managers	0.9	1.2	0.9	0.9	1.0	0.9	0.9	0.9	0.9
Professional areas	1.0	0.9	0.9	1.0	0.8	0.9	1.0	0.9	0.9
Ratio of total remuneration - women vs. men - FTE									
Executives	0.8	0.6	0.7	0.8	0.6	0.7	0.8	0.6	0.7
Middle managers	0.9	1.0	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Professional areas	1.0	0.9	0.9	1.0	0.8	0.9	1.0	0.8	0.9

Basic salary is annual, before tax. Remuneration is calculated as the salary plus any bonus/reward system.

* The reported figures are calculated on the basis of Full Time Equivalent (FTE) employees in order to provide a more accurate and truthful representation of average wages and salaries on the basis of gender and professional category.

Ratios of standard salary of new employee* by gender compared to local minimum wage**	Intesa Sanpaolo Group (excluding UBI Banca Group)		Intesa Sanpaolo Group (including UBI Banca Group)	
	2020		2021	
	Man	Woman	Man	Woman
Italy	1.0	1.0	1.0	1.0
Luxembourg	1.0	1.2	1.2	1.2
Ireland	2.0	1.9	2.1	1.9
Egypt	1.0	1.0	1.2	1.2
Albania	1.0	1.0	1.0	1.0
Croatia	1.1	1.1	1.2	1.2
Bosnia	2.0	2.0	1.2	1.2
Slovenia	1.1	1.1	1.0	1.0
Romania	1.1	1.1	1.0	1.0
Serbia	1.1	1.1	1.2	1.2
Hungary	1.2	1.1	1.1	1.0
Slovakia	1.1	1.1	1.2	1.1
Ukraine	1.2	0.9	1.1	1.0
Russian Federation	2.0	2.0	1.7	1.9
Brazil	4.2	3.7	3.6	3.7
Moldova	2.0	2.0	2.2	2.0
United States***	2.9	3.3	-	1.8

* The standard salary of a new employee is understood to mean the lower base salary paid to him/her in the reference year.

** Local minimum wage is understood to mean the minimum wage envisaged by collective bargaining agreements (where applicable) or by the regulations in force - if any - in the countries in which the Group operates. In countries with the greatest presence of employees (about 90%), hiring provisions are applied that are substantially in line with the provisions of collective bargaining agreements or local regulations.

*** There are no hiring of men in 2021.

Performance evaluation	Intesa Sanpaolo Group (excluding UBI Banca Group)			Intesa Sanpaolo Group (including UBI Banca Group)
	2019		2020	2021
	Abroad			Abroad
Employees subject to annual performance assessment [%]	85.9		91.0	87.7
Men	92.3		96.5	93.7
Women	82.0		87.8	84.2
Executives [%]	95.7		96.6	94.2
Men	98.7		98.4	95.2
Women	91.0		93.8	92.5
Middle managers [%]	93.1		97.3	95.4
Men	96.4		99.1	97.6
Women	88.6		95.1	92.6
Professional areas [%]	83.4		88.9	85.3
Men	89.6		94.9	91.6
Women	80.6		86.3	82.4
Employees subject to annual performance assessment [No.]	19,812		20,543	19,290
Men	8,003		8,140	7,646
Women	11,809		12,403	11,644
Executives [No.]	488		483	452
Men	306		303	279
Women	182		180	173
Middle managers [No.]	4,885		4,991	4,623
Men	2,879		2,858	2,619
Women	2,006		2,133	2,004
Professional areas [No.]	14,439		15,069	14,215
Men	4,818		4,979	4,748
Women	9,621		10,090	9,467

In Italy, all staff have a performance appraisal.

Breakdown of branch personnel by category and gender [%]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Directors	11.9	9.2	11.2	10.8	9.3	10.4	10.6	9.5	9.1	9.4
Men	7.6	4.0	6.7	6.9	4.0	6.1	6.7	6.2	3.8	5.7
Women	4.2	5.3	4.5	3.9	5.2	4.3	3.8	3.3	5.3	3.7
Executive directors	60.4	36.6	54.5	61.9	39.6	56.2	56.1	61.6	43.6	57.5
Men	21.0	12.0	18.8	21.5	12.6	19.2	20.8	22.3	13.6	20.3
Women	39.4	24.6	35.7	40.4	27.0	36.9	35.4	39.3	30.1	37.2
Other	27.8	54.2	34.3	27.3	51.1	33.4	33.3	28.9	47.3	33.1
Men	14.1	14.3	14.1	13.7	14.2	13.9	14.3	14.2	13.4	14.0
Women	13.7	39.9	20.2	13.6	36.9	19.6	19.0	14.7	33.9	19.1

TRAINING

Training by professional category [hours]**	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Executives	63,340	27,981	91,321	63,466	35,271	98,736	109,703	115,558	40,747	156,305
Men	49,745	16,015	65,761	50,559	20,490	71,049	80,990	91,267	20,911	112,178
Women	13,595	11,965	25,560	12,906	14,781	27,687	28,713	24,291	19,836	44,127
Middle managers	3,642,927	244,972	3,887,899	3,897,981	269,125	4,167,106	4,772,837	4,553,223	301,440	4,854,663
Men	2,146,559	113,636	2,260,195	2,286,012	114,728	2,400,740	2,822,137	2,784,903	130,319	2,915,222
Women	1,496,367	131,336	1,627,703	1,611,969	154,397	1,766,366	1,950,700	1,768,320	171,121	1,939,441
Professional areas	5,102,961	1,221,379	6,324,339	6,120,470	1,280,945	7,401,415	8,103,620	6,670,225	1,340,142	8,010,367
Men	1,940,807	307,251	2,248,058	2,285,266	316,917	2,602,183	2,905,962	2,616,314	329,027	2,945,341
Women	3,162,154	914,128	4,076,282	3,835,204	964,028	4,799,231	5,197,658	4,053,910	1,011,116	5,065,026
Total	8,809,227	1,494,331	10,303,559	10,081,917	1,585,340	11,667,257	12,986,160	11,339,006	1,682,329	13,021,335
Men	4,137,112	436,902	4,574,014	4,621,838	452,135	5,073,973	5,809,089	5,492,485	480,256	5,972,741
Women	4,672,116	1,057,429	5,729,545	5,460,079	1,133,205	6,593,284	7,177,071	5,846,521	1,202,073	7,048,594

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** The figures are shown on the basis of a recalculation that takes into account training effectiveness parameters. The figures do not include the hours of training provided to employees that left during the year.

Training by professional category [No. of participants]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Executives	961	436	1,397	989	464	1,453	1,739	1,268	445	1,713
Men	767	266	1,033	767	284	1,051	1,308	998	273	1,271
Women	194	170	364	222	180	402	431	270	172	442
Middle managers	26,627	4,594	31,221	26,137	4,599	30,736	38,739	31,174	4,500	35,674
Men	16,150	2,598	18,748	15,697	2,562	18,259	23,865	19,115	2,480	21,595
Women	10,477	1,996	12,473	10,440	2,037	12,477	14,874	12,059	2,020	14,079
Professional areas	35,686	15,129	50,815	34,703	15,363	50,066	59,966	41,114	15,071	56,185
Men	13,910	4,665	18,575	13,466	4,766	18,232	22,587	16,166	4,649	20,815
Women	21,776	10,464	32,240	21,237	10,597	31,834	37,379	24,948	10,422	35,370
Total	63,274	20,159	83,433	61,829	20,426	82,255	100,444	73,556	20,016	93,572
Men	30,827	7,529	38,356	29,930	7,612	37,542	47,760	36,279	7,402	43,681
Women	32,447	12,630	45,077	31,899	12,814	44,713	52,684	37,277	12,614	49,891

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Training by age bracket [No. hours]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Training hours provided**										
<=30	121,192	296,860	418,052	99,252	185,919	285,171	357,295	206,432	242,004	448,436
31-50	1,807,079	573,447	2,380,526	1,857,382	454,921	2,312,303	3,075,429	2,112,878	577,016	2,689,894
>50	1,274,113	116,188	1,390,302	1,547,911	213,872	1,761,783	2,145,990	1,702,732	127,057	1,829,789
Training hours provided per capita**										
<=30	61	77	71	54	46	49	52	78	60	67
31-50	53	40	49	58	33	50	54	57	43	53
>50	43	24	40	53	46	52	52	49	28	47

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Hours defined as the duration of the teaching units used.

Training by content [%]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Managerial	5.9	7.8	6.4	9.2	9.1	9.2	8.9	7.5	6.5	7.3
Commercial	4.0	16.2	6.8	5.6	17.3	7.9	8.9	4.5	15.4	6.6
Operational	41.9	27.5	38.5	38.7	22.5	35.6	34.0	43.6	26.7	40.4
Credit	1.9	6.5	3.0	5.7	7.1	6.0	5.5	5.3	6.0	5.4
Finance	36.7	10.1	30.4	32.5	10.7	28.2	29.1	25.5	13.3	23.2
Abroad	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1
IT	0.7	2.7	1.2	3.2	2.5	3.0	4.3	2.4	4.0	2.7
Specialist	1.9	24.1	7.1	3.8	25.8	8.1	7.2	5.4	23.1	8.7
Language	6.9	5.1	6.5	1.2	4.9	1.9	2.1	5.8	4.9	5.6

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Training per capita by content [No. hours]**	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Managerial	2.9	3.3	3.0	5.1	3.4	4.7	4.1	4.1	2.8	3.8
Commercial	1.9	6.9	3.2	3.1	6.5	4.0	4.1	2.4	6.6	3.4
Operational	20.5	11.7	18.2	21.5	8.5	18.1	15.8	23.5	11.5	20.7
Credit	0.9	2.8	1.4	3.2	2.7	3.1	2.6	2.9	2.6	2.8
Finance	17.9	4.3	14.4	18.1	4.1	14.4	13.5	13.7	5.7	11.9
Abroad	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0
IT	0.4	1.2	0.6	1.8	0.9	1.5	2.0	1.3	1.7	1.4
Specialist	0.9	10.3	3.4	2.1	9.8	4.1	3.4	2.9	9.9	4.5
Language	3.4	2.2	3.1	0.7	1.9	1.0	1.0	3.1	2.1	2.9

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Hours defined as the duration of the teaching units used.

Aid and benefits received relative to personnel [K euro]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Total	3,506	101	3,607	497	193	691	1,819	4,413	177	4,591
of which training funded amount (Italy only)	3,506	0	3,506	497	0	497	1,051	4,413	0	4,413
of which other	0	101	101	0	193	193	768	0	177	177

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Training by category and gender [average hours]*	Intesa Sanpaolo Group (excluding UBI Banca Group)						Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Italy	Abroad	Group
Executive	33.8	41.0	36.2	28.1	41.4	32.4	39.1	46.3	41.1
Men	33.0	39.4	34.8	28.0	38.2	30.8	38.7	37.9	38.5
Women	36.9	43.4	40.1	28.6	46.5	36.8	40.9	59.4	48.4
Middle managers	47.9	33.3	45.6	51.4	31.8	48.3	51.8	36.4	49.7
Men	47.0	28.5	44.2	50.5	24.9	46.6	51.9	29.2	49.1
Women	49.3	39.6	47.7	52.8	40.8	50.7	51.5	45.3	50.6
Professional areas	50.0	45.7	48.6	59.4	39.6	53.0	55.9	44.8	52.7
Men	49.0	41.5	46.9	56.9	35.9	51.2	56.0	38.6	51.9
Women	50.6	47.6	49.6	61.0	41.2	54.0	55.8	47.7	53.3
Hours of training per employee [No.]*	48.8	42.8	47.3	55.5	37.9	50.9	53.9	43.0	51.4

* Hours defined as the duration of the teaching units used.

Training by procedure	Intesa Sanpaolo Group (excluding UBI Banca Group)						Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Italy	Abroad	Group
Classroom training [% of hours]*	4.6	49.0	11.0	2.2	30.9	6.1	3.2	34.4	7.2
Remote training [% of hours]*	95.4	51.0	89.0	97.8	69.1	93.9	96.8	65.6	92.8
Number of persons registered	63,274	20,159	83,433	61,829	20,426	82,255	73,556	20,016	93,572
Hours of training provided (classroom + remote learning) [No.]*	8,809,227	1,494,332	10,303,559	10,081,917	1,585,340	11,667,257	11,339,006	1,682,329	13,021,335

* The figures are shown on the basis of a recalculation that takes into account training effectiveness parameters. The figures do not include the hours of training provided to employees that left during the year.

Training costs	Intesa Sanpaolo Group (excluding UBI Banca Group)						Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Italy	Abroad	Group
Training costs [K euro]	20,925	6,503	27,428	9,919	3,340	13,259	13,748	3,262	17,010
Training costs per staff member [euro]	319	282	309	157	148	155	184	148	176

EMPLOYEE SATISFACTION AND COMMUNICATION

Company climate	Intesa Sanpaolo Group (excluding UBI Banca Group)				Intesa Sanpaolo Group (including UBI Banca Group)	
	2019		2020**		2021	
	Italy	Abroad	Italy	Abroad	Italy	Abroad
Climate analysis (% taking part in the survey out of the selected sample)	54.8	48.7	-	-	62.3	55.7
Employee satisfaction index [%]	69.0*	78.0	-	-	76.0*	73.0
Change in the employee satisfaction index compared to the previous period	-9.0	1.0	-	-	7.0	-5.0
Climate analysis [No.]	1	1	-	-	1	1
Internal communication events [No.]	176	327	157	386	232	387
Focus groups [No.]	13	2	18	18	12	39
Participants in focus groups [No.]	130	16	144	4,411	120	4,012

* Survey carried out among Professional Areas and Middle Managers.

** No climate surveys were conducted in 2020.

Web Tv Access and House organ	Intesa Sanpaolo Group (excluding UBI Banca Group)		Intesa Sanpaolo Group (including UBI Banca Group)
	2019	2020	2021
Web Tv total access [No.]*	497,454	507,630	427,229
House organ: total number of online visits	438,500	350,225	320,888

* The average daily unique accesses to the company intranet in 2021 are 65,200.

FREEDOM OF COLLECTIVE BARGAINING

Trade union freedom	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Employees registered with a trade union [No.]	47,684	7,288	54,972	45,581	6,937	52,519	68,606	54,502	6,511	61,012
Executives	173	65	238	157	58	215	323	231	49	280
Middle managers	19,350	2,458	21,808	18,399	2,421	20,819	27,538	22,026	2,133	24,159
Professional areas	28,160	4,765	32,925	27,026	4,459	31,485	40,745	32,245	4,329	36,574
Employees registered with a trade union [%]*	76.6	32.3	64.8	76.3	31.4	64.2	68.2	77.1**	30.4	66.2
Days absence for trade union reasons (all permits for trade unionists)	92,987	683	93,670	77,142	604	77,746	90,697	84,745	129	84,874
Days absence for meetings/ strikes (also employees who are not trade unionists)	7,193	208	7,401	1,420	96	1,516	1,519	1,466	131	1,597
Men	3,314	145	3,459	600	52	652	653	765	67	832
Women	3,879	63	3,942	820	44	864	866	701	64	765
Days absence for involvement in strikes	102	0	102	30	0	30	33	1,039	0	1,039
Men	49	0	49	18	0	18	19	552	0	552
Women	53	0	53	12	0	12	14	487	0	487
Days absence for meetings	7,091	835	7,926	1,390	96	1,486	1,486	427	131	558
Men	3,266	400	3,666	582	52	634	634	213	67	280
Women	3,826	435	4,261	808	44	852	852	214	64	278

The National Collective Bargaining Agreement for the sector covers all employees in Italy and 54.81% of employees abroad.

* Data were recalculated on the basis of the Full Time Equivalents - FTEs.

** The percentage of employees in Italy covered by the collective bargaining agreement for the credit sector that are members of a trade union is 77.25%.

COMPANY WELFARE, HEALTH AND SAFETY

Contributions for staff [K euro]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Insurance and accident policies	15,960	791	16,752	20,805	21,159	41,964	42,022	25,245	1,089	26,334
Loyalty bonus	11,702	223	11,925	11,042	323	11,366	11,366	9,602	274	9,876
Study contributions for employees' children	3,621	84	3,705	3,620	90	3,710	6,918	7,288	176	7,465
Recreational and cultural activities	2,911	1,689	4,599	3,407	1,570	4,978	5,127	3,566	1,791	5,357
Contributions for employees' children with disabilities	3,068	25	3,093	2,975	21	2,995	3,710	6,567	31	6,598

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Supplementary healthcare and welfare	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Contributions paid by the Bank for supplementary healthcare assistance [K euro]	78,429	2,972	81,400	75,914	4,612	80,526	80,594	83,674	3,511	87,186
Health assistance: persons assisted [No.]	67,114	9,930	77,044	64,440	10,247	74,687	95,254	74,854	10,282	85,136
Contributions paid by the Bank for supplementary retirement benefits [K euro]	144,497	3,405	147,903	140,509	3,644	144,153	183,633	172,862	4,128	176,990
Supplementary retirement benefits: persons assisted [No.]	65,172	3,551	68,723	63,012	3,573	66,585	86,031	79,577	3,079	82,656

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Credit facilities for staff	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Mortgages [No.]	2,983	979	3,962	3,180	884	4,064	4,492	4,028	916	4,944
Total mortgages disbursed [K euro]	478,433	52,612	531,045	524,055	55,544	579,599	628,462	680,720	68,578	749,298
Loans [No.]	17,295	5,429	22,724	13,209	3,768	16,977	17,997	19,149	6,215	25,364
Total loans disbursed [K euro]	161,137	36,272	197,409	116,643	43,555	160,197	180,679	140,051	49,415	189,466

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).
Loans granted to all personnel with an open-ended contract, with the exception of loans at special rates granted to staff with apprenticeships.

Maternity leave	Intesa Sanpaolo Group (excluding UBI Banca Group)	Intesa Sanpaolo Group (including UBI Banca Group)
	2020	2021
	Italy	Italy
Employees entitled to maternity leave	63,146	74,685
Men	30,707	36,962
Women	32,439	37,723
Employees using mandatory maternity leave	994	1,218
Men	29	6
Women	965	1,212
Employees returning to work after mandatory maternity leave	804	891
Men	27	6
Women	777	885
Employees returning to work after mandatory maternity leave, who are still bank employees in the following 12 months	1,039	1,321
Men	19	276
Women	1,020	1,045

Maternity leave - Rates [%]	Intesa Sanpaolo Group (excluding UBI Banca Group)	Intesa Sanpaolo Group (including UBI Banca Group)
	2020	2021
	Italy	Italy
Rate of return to work after mandatory maternity leave	99.1%	99.2%
Men	100.0%	100.0%
Women	99.1%	99.2%
Retention rate of employees returning to work after mandatory maternity leave, who are still bank employees in the following 12 months	93.3%	97.2%
Men	90.5%	89.6%
Women	99.5%	99.4%

Absence by reason and gender - days lost [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Total absences	1,036,995	707,917	1,744,912	1,101,973	679,317	1,781,290	1,948,269	1,039,834	610,822	1,650,656
Illness	531,596	145,088	676,684	501,957	142,808	644,765	767,520	477,181	154,106	631,287
Men	242,421	21,902	264,322	219,274	20,028	239,301	301,858	209,852	22,817	232,670
Women	289,175	123,186	412,362	282,683	122,780	405,463	465,662	267,329	131,289	398,618
Injury	14,800	4,116	18,916	10,220	4,013	14,233	15,534	12,810	3,329	16,139
Men	6,515	968	7,483	4,124	577	4,701	5,450	6,639	410	7,049
Women	8,285	3,148	11,433	6,095	3,436	9,531	10,083	6,172	2,919	9,091
Child care	209,152	350,920	560,072	151,927	343,172	495,099	515,728	190,354	286,645	476,999
Men	8,743	5,304	14,047	7,843	4,502	12,345	12,821	10,739	3,210	13,949
Women	200,409	345,616	546,025	144,084	338,670	482,754	502,906	179,615	283,435	463,050
Personal and family reasons	111,537	190,344	301,881	89,320	167,430	256,750	266,638	106,582	146,910	253,491
Men	46,506	102,737	149,243	39,727	83,967	123,693	128,055	46,175	69,350	115,526
Women	65,031	87,607	152,638	49,593	83,463	133,056	138,583	60,406	77,559	137,966
Leave for public positions	9,032	792	9,824	8,513	885	9,398	10,824	8,145	1,468	9,613
Men	6,349	382	6,731	5,745	325	6,070	7,208	6,012	647	6,659
Women	2,683	410	3,093	2,768	560	3,328	3,616	2,132	821	2,953
Leave for blood and other donations	9,201	306	9,507	7,175	268	7,443	8,198	8,665	315	8,980
Men	6,753	134	6,888	5,084	127	5,211	5,799	6,056	145	6,200
Women	2,447	172	2,619	2,091	141	2,232	2,398	2,609	170	2,779
Disability	135,267	1,796	137,062	151,581	942	152,523	162,709	125,721	897	126,618
Men	57,350	190	57,539	61,411	370	61,781	66,629	51,458	149	51,607
Women	77,917	1,606	79,523	90,171	572	90,743	96,080	74,262	748	75,010
Other	16,411	14,556	30,966	181,281	19,799	201,079	201,118	110,378	17,152	127,530
Men	10,250	3,016	13,266	83,516	2,478	85,994	85,994	62,250	1,936	64,185
Women	6,161	11,539	17,700	97,764	17,321	115,086	115,125	48,128	15,217	63,345

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020). Days lost are calculated based on calendar business days.

Absence by reason and gender [%]	Intesa Sanpaolo Group (excluding UBI Banca Group)						Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Italy	Abroad	Group
Total absence/theoretical working days	7.18	13.95	8.94	7.93	13.68	9.45	6.33	12.62	7.76
Men	2.67	2.65	2.66	3.07	2.26	2.86	2.43	2.04	2.34
Women	4.52	11.30	6.28	4.86	11.42	6.59	3.90	10.58	5.42
Illness	3.68	2.86	3.47	3.61	2.88	3.42	2.90	3.18	2.97
Men	1.68	0.43	1.35	1.58	0.40	1.27	1.28	0.47	1.09
Women	2.00	2.43	2.11	2.03	2.47	2.15	1.63	2.71	1.87
Injury	0.10	0.08	0.10	0.07	0.08	0.08	0.08	0.07	0.08
Men	0.05	0.02	0.04	0.03	0.01	0.02	0.04	0.01	0.03
Women	0.06	0.06	0.06	0.04	0.07	0.05	0.04	0.06	0.04
Child care	1.45	6.91	2.87	1.09	6.91	2.63	1.16	5.92	2.24
Men	0.06	0.10	0.07	0.06	0.09	0.07	0.07	0.07	0.07
Women	1.39	6.81	2.80	1.04	6.82	2.56	1.09	5.86	2.18
Personal and family reasons	0.77	3.75	1.55	0.64	3.37	1.36	0.65	3.04	1.19
Men	0.32	2.02	0.76	0.29	1.69	0.66	0.28	1.43	0.54
Women	0.45	1.73	0.78	0.36	1.68	0.71	0.37	1.60	0.65
Leave for public positions	0.06	0.02	0.05	0.06	0.02	0.05	0.05	0.03	0.05
Men	0.04	0.01	0.03	0.04	0.01	0.03	0.04	0.01	0.03
Women	0.02	0.01	0.02	0.02	0.01	0.02	0.01	0.02	0.01
Leave for blood and other donations	0.06	0.01	0.05	0.05	0.01	0.04	0.05	0.01	0.04
Men	0.05	0.00	0.04	0.04	0.00	0.03	0.04	0.00	0.03
Women	0.02	0.00	0.01	0.02	0.00	0.01	0.02	0.00	0.01
Disability	0.94	0.04	0.70	1.09	0.02	0.81	0.77	0.02	0.60
Men	0.40	0.00	0.29	0.44	0.01	0.33	0.31	0.00	0.24
Women	0.54	0.03	0.41	0.65	0.01	0.48	0.45	0.02	0.35
Other	0.11	0.29	0.16	1.30	0.40	1.07	0.67	0.35	0.60
Men	0.07	0.06	0.07	0.60	0.05	0.46	0.38	0.04	0.30
Women	0.04	0.23	0.09	0.70	0.35	0.61	0.29	0.31	0.30

Absenteeism and occupational disease - rates	Intesa Sanpaolo Group (excluding UBI Banca Group)						Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Italy	Abroad	Group
Rate of absenteeism*	4.90	3.00	4.40	4.90	3.00	4.40	3.86	3.31	3.73
Men	4.56	1.24	3.85	4.39	1.16	3.69	3.45	1.35	3.07
Women	5.23	4.06	4.88	5.39	4.10	5.00	4.26	4.47	4.31
Rate of occupational disease**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* The absentee rate is the ratio between the number of days lost for illness, injuries (including injuries requiring first aid), public office, blood donation and other leave, disability, meeting / strikes and theoretical working days.

** The occupational disease rate is equal to the total number of claims for occupational diseases divided by the total number of hours worked.

Injuries by year and gender	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Total injuries in the year [No.]	712	119	831	380	63	443	481	485	41	526
Men	272	24	296	162	10	172	190	216	6	222
Women	440	95	535	218	53	271	291	269	35	304
Injury rate**	7.69	3.66	6.63	4.31	1.97	3.68	-	4.57	1.30	3.82
Men	5.58	1.95	4.87	3.52	0.83	2.98	-	3.85	0.51	3.28
Women	10.03	4.69	8.30	5.16	2.66	4.34	-	5.39	1.78	4.34
Working days lost [No.]	14,800	4,116	18,916	10,220	4,013	14,233	15,534	12,810	3,329	16,139
Men	6,515	968	7,483	4,124	577	4,701	5,450	6,639	410	7,049
Women	8,285	3,148	11,433	6,095	3,436	9,531	10,083	6,172	2,919	9,091
Rate of working days lost (severity index)***	0.15	0.11	0.14	0.11	0.11	0.11	-	0.11	0.09	0.11
Men	0.12	0.07	0.11	0.08	0.04	0.07	-	0.11	0.03	0.10
Women	0.18	0.13	0.16	0.13	0.15	0.14	-	0.12	0.13	0.12
Injuries / Total employees [%]	1.1	0.5	0.9	0.6	0.3	0.5	0.5	0.6	0.2	0.5

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Injury rate = (total number of injuries in the year / total hours worked) x 1,000,000. For better comprehension, this indicator was calculated using a multiplication factor equal to 1,000,000 (hours worked).

*** Rate of working days lost (or severity index) = (number of days lost / total number of working hours) x 1,000. For better comprehension, this indicator was calculated using a multiplication factor equal to 1,000 (hours worked). Working days lost include injuries requiring first aid.

Injuries at work and on the way to/from work	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Injuries at work [No.]	217	51	268	149	24	173	189	180	14	194
Men	67	8	75	62	3	65	75	86	1	87
Women	150	43	193	87	21	108	114	94	13	107
Rate of injuries at work**	2.34	1.57	2.14	1.69	0.75	1.44	-	1.70	0.44	1.41
Men	1.37	0.65	1.23	1.35	0.25	1.12	-	1.53	0.09	1.29
Women	3.42	2.12	2.99	2.06	1.05	1.73	-	1.88	0.66	1.53
Injuries on the way to/from work [No.]	495	68	563	231	39	270	292	305	27	332
Men	205	16	221	100	7	107	115	130	5	135
Women	290	52	342	131	32	163	177	175	22	197
Rate of injuries on the way to/ from work***	5.35	2.09	4.49	2.62	1.22	2.24	-	2.88	0.86	2.41
Men	4.21	1.30	3.63	2.18	0.58	1.85	-	2.32	0.43	2.00
Women	6.61	2.57	5.30	3.10	1.61	2.61	-	3.51	1.11	2.81

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Rate of injuries at work = (total number of injuries at work in the year / total hours worked) x 1,000,000. For better comprehension, this indicator was calculated using a multiplication factor equal to 1,000,000 (hours worked).

*** Rate of injuries on the way to/from work = (total number of injuries on the way to/from work in the year / total hours worked) x 1,000,000. For better comprehension, this indicator was calculated using a multiplication factor equal to 1,000,000 (hours worked).

Injuries by type [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Italy	Abroad	Group
Total injuries	712	119	831	380	63	443	485	41	526
Injuries while driving	328	15	343	145	10	155	196	8	204
Falls/slipping	85	48	133	129	29	158	237	15	252
Robberies	3	12	15	1	3	4	0	1	1
Other	296	44	340	105	21	126	52	17	69

Serious injuries and deaths [No.]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Cases presented for occupational disease	8	0	8	3	0	3	4	4	0	4
Serious/very serious injuries	94	8	102	120	12	132	132	152	3	155
Injuries at work	28	1	29	56	2	58	58	57	2	59
Injuries on the way to/from work	66	7	73	64	10	74	74	95	1	96
Serious/very serious injuries with res judicata sentence	0	0	0	0	0	0	0	0	0	0
Deaths at work, with res judicata sentence	0	0	0	0	0	0	0	0	0	0

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Training on health and safety	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Hours of training on health and safety**	138,164	8,321	146,485	140,789	18,888	159,677	186,851	164,097	31,404	195,500
Employees who have attended health and safety training [No.]	26,147	2,747	28,894	26,697	6,582	33,279	41,024	27,458	9,588	37,046
Employees who have attended health and safety training [%]	40	12	33	42	29	39	39	37	44	38
Costs of health and safety training [K euro]	649	19	667	45	15	60	173	217	27	244
Hours of health and safety training per employee	2.1	0.4	1.7	2.2	0.8	1.9	1.8	2.2	1.4	2.0

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Hours defined as the duration of the teaching units used.

Robberies	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Robberies	13	7	20	3	2	5	10	1	2	3
Robberies for every 100 bank counters	0.4	0.7	0.5	0.1	0.2	0.1	0.2	0.0	0.2	0.1
Interviews of psychological counselling to employees who have suffered robberies	73	0	73	26	0	26	34	13	0	13
On-site inspections on workplaces to assess risks for robbery	694	0	694	142	0	142	316	847	0	847

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Green and Circular Economy

Loans disbursed for the Green and Circular Economy [million euros]	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
	2019			2020			2020	2021		
	Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Retail	46	7	53	877	35	912	932	2,260	38	2,298
Business and Third Sector	156	32	188	253	40	293	297	352	35	386
Corporate and Project finance	1,143	35	1,178	736	44	781	960	3,365	89	3,454
of which Project finance	684	34	718	190	40	230	401	1,131	75	1,207
Total loans for the Green Economy	1,345	74	1,419	1,866	119	1,985	2,189	5,977	162	6,139
Total loans with Circular Economy criteria	760	0	760	565	0	565	589	2,545	15	2,560
Total	2,105	74	2,179	2,431	119	2,550	2,779	8,522	176	8,699

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020). Data not comparable for changes that occurred over the years in the aggregation criteria.

Climate change

Parameters	Unit	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
		2019			2020			2020	2021		
		Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Operators = Staff + Consultants	No.	70,834	24,379	95,213	65,732	23,714	89,446	109,303	77,208	23,198	100,406
Staff	No.	65,612	23,070	88,682	63,146	22,570	85,716	105,183	74,685	21,996	96,681
Consultants	No.	5,222	1,309	6,531	2,586	1,144	3,730	4,120	2,523	1,202	3,725
Total transfers	No.	609,980	21,210	631,190	264,542	8,562	273,104	273,104	308,454	11,632	320,086
Total transport	thousands of km	140,679	32,678	173,357	40,676	20,801	61,477	69,719	62,372	17,224	79,596
Floor area	thousands of m ²	2,971	648	3,619	2,885	622	3,507	4,532	3,735	592	4,328

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Greenhouse gas emissions [CO ₂ eq]	Unit	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
		2019			2020			2020	2021		
		Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Direct emissions (Scope1)	tCO ₂ eq	37,521	7,877	45,398	31,124	5,801	36,925	41,852	43,144	6,486	49,630
Natural gas emissions for independent heating	tCO ₂ eq	22,567	3,026	25,592	22,185	2,442	24,628	27,978	31,934	2,751	34,685
Natural gas emissions for cogeneration	tCO ₂ eq	5,110	524	5,634	1,535	421	1,956	1,956	0	536	536
Diesel emissions for independent heating	tCO ₂ eq	925	122	1,046	759	107	866	1,051	1,039	161	1,199
HFC emissions	tCO ₂ eq	1,824	266	2,090	2,961	414	3,375	3,894	3,981	318	4,298
Gasoline emissions for company fleet	tCO ₂ eq	10	901	911	8	603	611	611	191	589	780
Diesel emissions for company fleet	tCO ₂ eq	7,086	3,039	10,124	3,676	1,814	5,490	6,362	6,000	2,132	8,132
Indirect emissions (Scope2 Market-based)	tCO ₂ eq	5,735	27,974	33,709	5,571	26,228	31,800	32,597	6,359	24,542	30,901
Electricity emissions (excluding cogeneration)	tCO ₂ eq	2,310	27,167	29,478	1,751	25,208	26,959	26,965	1,713	23,543	25,256
Natural gas emissions for building heating (including district heating)	tCO ₂ eq	3,424	765	4,189	3,820	956	4,776	5,567	4,646	942	5,588
Diesel emissions for building heating	tCO ₂ eq	0	42	42	0	65	65	65	0	57	57
Total direct + indirect emissions (Scope1 + 2 Market-based)	tCO ₂ eq	43,256	35,851	79,107	36,695	32,030	68,725	74,450	49,503	31,029	80,531
Total direct + indirect emissions per staff member	tCO ₂ eq/ staff member	0.6	1.5	0.8	0.6	1.4	0.8	-	0.6	1.3	0.8
Total direct + indirect emissions per square meter	kgCO ₂ eq/ m ²	14.6	55.3	21.9	12.7	51.5	19.6	-	13.3	52.4	18.6
Total direct + indirect emissions (Scope1 + 2 Location-based)	tCO ₂ eq	151,279	39,090	190,369	127,549	32,459	160,008	177,848	150,567	32,757	183,325
Other indirect emissions (Scope3)**	tCO ₂ eq	15,470	4,723	20,193	21,017	8,500	29,517	36,143	18,205	5,087	23,292
Business trips	tCO ₂ eq	8,015	1,514	9,528	1,807	1,235	3,042	3,554	2,826	206	3,032
Purchased paper	tCO ₂ eq	2,911	1,673	4,584	2,179	1,229	3,408	3,987	2,713	1,202	3,915
Waste	tCO ₂ eq	252	26	279	203	21	224	233	255	24	279
Office machinery	tCO ₂ eq	4,293	1,509	5,802	16,829	6,015	22,843	28,369	12,411	3,655	16,066

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Total data restated following changes in the reported categories.

Emissions of other gas which are harmful to the ozone layer (NO _x , SO ₂)	Unit	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
		2019			2020			2020	2021		
		Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
NO _x emissions	t	39	38	78	25	31	57	61	35	30	65
SO ₂ emissions	t	1	29	30	1	22	23	23	1	23	24

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Energy consumption broken down by source	Unit	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
		2019			2020			2020	2021		
		Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Direct primary energy consumption (Scope1)	GJ	580,864	113,205	694,069	467,950	82,222	550,172	621,889	646,995	96,985	743,980
Natural gas consumption for independent heating	GJ	389,239	54,003	443,242	383,409	43,596	427,005	484,917	550,762	49,063	599,826
Natural gas consumption for cogeneration	GJ	88,138	9,381	97,519	26,527	7,551	34,078	34,078	0	9,617	9,617
Diesel consumption for independent heating	GJ	12,444	1,717	14,161	10,217	1,509	11,726	14,219	13,980	2,277	16,257
Gasoline consumption for the fleet	GJ	105	9,106	9,211	76	6,017	6,093	6,093	2,554	7,711	10,265
Diesel consumption for the fleet	GJ	90,938	38,998	129,935	47,722	23,548	71,270	82,583	79,699	28,317	108,016
Indirect primary energy consumption (Scope2)	GJ	1,311,966	396,154	1,708,120	1,237,140	356,709	1,593,849	1,766,834	1,453,545	346,461	1,800,006
Renewable electricity consumption	GJ	1,235,569	81,177	1,316,746	1,109,475	67,497	1,176,971	1,323,860	1,317,702	68,602	1,386,304
Non renewable electricity consumption (except cogeneration)	GJ	17,328	220,543	237,870	12,946	192,123	205,069	205,115	13,175	180,933	194,108
Natural gas consumption for building heating (including remote district heating)	GJ	59,069	93,840	152,910	114,719	96,160	210,879	236,930	122,668	96,101	218,769
Diesel consumption for building heating	GJ	0	594	594	0	929	929	929	0	826	826
Total direct + indirect energy (Scope1 + 2)	GJ	1,892,830	509,359	2,402,189	1,705,090	438,931	2,144,021	2,388,723	2,100,540	443,446	2,543,986
Total direct + indirect energy per staff member	GJ/staff member	26.7	20.9	25.2	25.9	18.5	24.0	-	27.2	19.1	25.3
Other indirect primary energy consumption (Scope3)**	GJ	282,808	120,879	403,687	360,699	169,170	529,869	644,753	337,687	118,006	455,693
Business trips	GJ	121,896	20,782	142,677	26,002	15,937	41,939	48,589	39,854	2,875	42,728
Purchased paper	GJ	91,034	76,353	167,388	64,059	57,189	121,248	143,934	104,664	58,917	163,581
Waste	GJ	3,377	361	3,737	2,656	260	2,916	3,076	3,305	296	3,601
Office machinery	GJ	66,502	23,383	89,884	267,983	95,784	363,767	449,154	189,864	55,918	245,782

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** Total data restated following changes in the reported categories.

Total electricity focus (including cogeneration)	Unit	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
		2019			2020			2020	2021		
		Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Total electricity consumed	GJ	1,286,563	306,783	1,593,346	1,132,662	263,108	1,395,770	1,542,704	1,330,877	253,568	1,584,445
Electricity per staff member	kWh/staff member	5,045	3,496	4,648	4,787	3,082	4,335	-	4,788	3,036	4,383
Electricity per square meter	kWh/m ²	120	132	122	109	118	111	-	99	119	102
Electricity purchased	GJ	1,249,051	301,538	1,550,589	1,118,715	259,430	1,378,145	1,524,583	1,326,163	249,348	1,575,511
of which renewable	%	98.6	26.9	84.7	98.8	25.9	85.1	86.5	99.0	27.4	87.7
Electricity self-produced	GJ	37,512	5,245	42,757	13,947	3,678	17,625	18,121	4,715	4,220	8,934
of which renewable	%	10.3	3.5	9.4	26.6	5.2	22.1	24.2	100.0	4.4	54.9

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Transport	Unit	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
		2019			2020			2020	2021		
		Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Air travel	thousands of km	37,201	6,126	43,327	5,814	1,131	6,945	7,160	6,117	1,330	7,447
Train travel	thousands of km	51,234	458	51,692	8,483	90	8,572	8,828	7,789	215	8,004
Company fleet	thousands of km	40,765	21,215	61,981	21,407	13,216	34,623	39,689	37,535	15,339	52,874
Personal Cars	thousands of km	11,478	4,879	16,357	4,974	6,364	11,388	14,041	10,931	340	11,271
Remote connections	thousands	44,298	32	44,330	78,751	106	78,857	79,694	29,796	244	30,039
Distance covered for business trip per employee	km/employee	231	1,541	275	154	2,429	225	-	202	1,481	249

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Paper consumption	Unit	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
		2019			2020			2020	2021		
		Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Purchased paper	t	4,258	1,916	6,175	3,278	1,383	4,660	5,407	4,356	1,328	5,684
Purchased paper / staff member	kg/staff member	60.1	78.6	64.8	49.9	58.3	52.1	-	56.4	57.2	56.6
Certified recycled paper	%	70.7	17.6	54.2	76.0	13.2	57.4	55.6	64.9	10.0	52.1
Eco-sustainable certified paper (not recycled)	%	26.5	41.5	31.2	21.0	43.4	27.6	30.1	22.5	44.3	27.6

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Toner consumption	Unit	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
		2019			2020			2020	2021		
		Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Toner: total	kg	90,505	23,600	114,105	64,023	32,488	96,511	105,661	73,140	40,923	114,063
Toner: remanufactured cartridges	%	71.5	19.1	60.7	79.5	5.9	54.7	50.0	79.2	6.9	53.3
Toner: traditional cartridges	%	28.5	80.9	39.3	20.5	94.1	45.3	50.0	20.8	93.1	46.7

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Water consumption	Unit	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
		2019			2020			2020	2021		
		Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Total water consumed	thousands of m ³	1,131	570	1,700	1,306	410	1,716	1,874	1,449	351	1,800
Total water consumed / staff member	m ³ /staff member	16.0	23.4	17.9	19.9	17.3	19.2	-	18.8	15.1	17.9

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Special waste by type	Unit	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
		2019			2020			2020	2021		
		Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Total waste	t	3,288	1,002	4,290	2,373	794	3,167	3,688	4,513	867	5,380
Total waste / staff member	kg/staff member	46.4	41.1	45.1	36.1	33.5	35.4		58.5	37.4	53.6
Total waste not intended for disposal**	t	3,071	903	3,974	2,202	753	2,956	3,468	4,257	813	5,070
Paper and cardboard	t	1,216	744	1,960	700	558	1,258	1,654	2,284	587	2,872
Cartridges, ribbons and films	t	52	3	55	61	3	63	70	54	2	56
Office machinery	t	1,630	53	1,683	1,328	54	1,382	1,395	1,644	27	1,671
Monitors	t	16	17	33	42	24	66	66	94	37	130
Other types	t	157	87	244	72	114	186	282	181	160	340
Total waste intended for disposal**	t	217	99	316	170	41	211	220	256	54	310
Paper and cardboard	t	0	0	1	2	2	4	5	4	1	5
Cartridges, ribbons and films	t	22	1	23	24	1	25	28	19	1	19
Office machinery	t	157	5	162	128	5	133	135	157	3	160
Monitors	t	31	32	63	16	9	25	25	35	14	49
Other types	t	7	60	67	1	23	24	27	41	36	77

* UBI Banca Group figures are only included as of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** All waste operations are carried out at an external site.

Special waste not intended for disposal**	Unit	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
		2019			2020			2020	2021		
		Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Total non-hazardous waste	t	3,055	886	3,941	2,160	729	2,889	3,401	4,163	772	4,935
Recycling	t	1,276	748	2,024	747	562	1,309	1,707	2,346	593	2,939
Reuse/recovery	t	1,779	138	1,917	1,413	167	1,580	1,695	1,813	179	1,992
Preparation for reuse	t	0	0	0	0	0	0	0	4	0	4
Other recovery operations	t	0	0	0	0	0	0	0	0	0	0
Total hazardous waste	t	16	17	33	42	24	66	67	94	40	135
Recycling	t	0	0	0	0	0	0	0	0	0	0
Reuse/recovery	t	16	17	33	42	24	66	67	94	40	134
Preparation for reuse	t	0	0	0	0	0	0	0	0	0	0
Other recovery operations	t	0	0	0	0	0	0	0	0	0	1

* UBI Banca Group figures are only included as of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** All waste operations are carried out at an external site.

Special waste intended for disposal**	Unit	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
		2019			2020			2020	2021		
		Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Total non-hazardous waste	t	185	7	193	155	9	164	170	221	40	261
Landfill	t	163	6	170	131	8	138	141	164	38	202
Incineration with energy recovery	t	22	1	23	24	1	26	28	18	1	18
Incineration without energy recovery	t	0	0	0	0	0	0	0	37	1	37
Other disposal operations	t	0	0	0	0	0	0	0	3	1	3
Total hazardous waste	t	31	91	123	16	32	47	50	35	14	49
Landfill	t	31	91	123	16	32	47	50	33	13	46
Incineration with energy recovery	t	0	0	0	0	0	0	0	0	0	0
Incineration without energy recovery	t	0	0	0	0	0	0	0	2	1	2
Other disposal operations	t	0	0	0	0	0	0	0	0	0	1

* UBI Banca Group figures are only included as of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

** All waste operations are carried out at an external site.

Expenditure for environmental management	Unit	Intesa Sanpaolo Group (excluding UBI Banca Group)						ISP + UBI*	Intesa Sanpaolo Group (including UBI Banca Group)		
		2019			2020			2020	2021		
		Italy	Abroad	Group	Italy	Abroad	Group	Group	Italy	Abroad	Group
Management of special waste	K euro	1,302	291	1,592	1,067	538	1,605	2,099	1,698	417	2,115
Training	K euro	0	252	252	0	129	129	129	2	213	215
System maintenance	K euro	45,211	8,095	53,306	46,299	10,620	56,919	61,575	50,485	9,631	60,116
Monitoring and certification of EEMS (Environmental and Energy Management System)	K euro	1,472	17	1,490	2,384	14	2,398	2,789	3,974	46	4,020
Total	K euro	47,985	8,655	56,640	49,750	11,300	61,050	66,592	56,159	10,307	66,466

* UBI Banca Group figures are only included as from the date of its consolidation into the Intesa Sanpaolo Group (last 5 months of 2020).

Methodology used for the estimates: in the limited cases of unavailability of the data, estimates were made by adopting factors derived from the average of the values most responsive to the specificity of the indicator.

EU Taxonomy (Regulation (EU) 2020/852): regulatory requirements

Regulation (EU) 2020/852 (so-called “taxonomy”) falls within the scope of the European Union’s commitment in favour of sustainable finance, with the aim of directing capital towards economic activities considered to be environmentally sustainable, defined as those economic activities that provide a substantial contribution to the achievement of at least one of the following environmental objectives, provided that they do not significantly harm any of the other environmental objectives and that they are carried out in compliance with the minimum safeguards¹:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

Article 8 of Regulation (EU) 2020/852 defines the reporting obligations under the taxonomy scope to be fulfilled by any undertaking subject to the obligation to publish non-financial information pursuant to article 19-bis or article 29-bis of Directive 2013/34/EU.

Therefore, starting from 1 January 2022 (2021 reporting period), these undertakings shall include in their non-financial statement information on how and to what extent their activities are associated with economic activities that qualify as environmentally sustainable pursuant to the same Regulation.

In particular, with reference to financial undertakings, Article 10 of the Delegated Regulation (EU) 2021/2178, which supplements Regulation (EU) 2020/852, permits abridged information content for the first two years of application. Therefore, in the period from 1 January 2022 to 31 December 2023, financial undertakings are required to provide the following disclosure:

- a) the proportion in their total assets of exposures to Taxonomy non-eligible and Taxonomy-eligible economic activities;
- b) the proportion of exposures to central governments, central banks and supranational issuers, and derivatives within the context of total assets;
- c) the proportion of exposures to undertakings that are not obliged to publish non-financial information within the context of total assets;
- d) the proportion of the trading book and on demand inter-bank loans in their total assets (only for credit institutions);
- e) the proportion of Taxonomy-eligible and Taxonomy non-eligible non-life insurance economic activities (only for insurance and reinsurance undertakings);
- f) qualitative information.

The disclosure for the first two years of reporting is therefore focused solely on the indication of the proportion of exposures in taxonomy-eligible economic activities; an economic activity is defined as eligible if described in the technical delegated acts, irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those delegated acts. Starting from 1 January 2024, the disclosure will also include the proportion of exposures in environmentally sustainable activities (taxonomy-aligned). The identification of eligible economic activities is based on the Technical Delegated Acts, which currently only concern the first two objectives: Climate Change Mitigation and Climate Change Adaptation.

TAXONOMY APPLIED TO THE INTESA SANPAOLO GROUP

In compliance with the provisions laid down by the regulations described above, the Intesa Sanpaolo Group provides the disclosure required by taxonomy to credit institutions in its CNFS.

For the mandatory disclosure, the clarifications published by the European Commission in December 2021 specify that the information relating to the eligibility of financial counterparties must not be based on the precise data published by the latter. Since the information on the eligibility of counterparties is not yet available for the first year of application of the legislation, the eligibility percentages of financial and non-financial companies are not included in the disclosure.

MANDATORY DISCLOSURE

The main indicator required of the Intesa Sanpaolo Group, as a credit institution, is the proportion of exposures in eligible economic activities within the context of total assets, calculated according to the scope of prudential consolidation (title II, chapter 2, section 2, of Regulation (EU) 575/2013).

This indicator must be accompanied by additional quantitative and qualitative information as required by Article 10 of Regulation (EU) 2021/2178.

¹ The minimum safeguards are procedures implemented by an undertaking that is carrying out an economic activity to ensure the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

Disclosure	Description of the indicator	Value
Proportion of exposures in eligible economic activities within the context of total assets	Eligible Exposures / Total Covered Assets ²	22.0%
Proportion of exposures in non-eligible economic activities within the context of total assets	Non-eligible Exposures / Total Covered Assets	35.1%
Proportion of exposures to non-financial undertakings that are not obliged to publish non-financial information within the context of total assets	Exposures to non-financial undertakings that are not obliged to publish the NFRD ³ / Total Covered Assets	32.0%
Proportion of exposures in derivatives within the context of total assets	Exposures in derivatives / Total Covered Assets	0.3%
Proportion of on-demand inter-bank loans within the context of total assets	On-demand inter-bank loans / Total Covered Assets	0.6%
Proportion of exposures to central governments, central banks and supranational issuers, within the context of total assets	Exposures to central governments, central banks and supranational issuers / Total Assets	25.7%
Proportion of the trading book within the context of total assets	Trading book / Total Assets	5.4%

The exposures considered for the purposes of calculating the “Total Covered Asset” KPIs correspond to 71% of Total Assets, having been calculated as Total Assets net of exposures to central governments, central banks and supranational issuers and of the trading book, as confirmed by clarifications from the European Commission.

In the construction of the indicators, it was decided to use Total Covered Assets as denominator in the case of exposures included in Total Covered Assets and Total assets for the remaining indicators, i.e. the “Proportion of exposures to central governments, central banks and supranational issuers, within the context of total assets” and the “Proportion of the trading book within the context of total assets”, since such exposures are not included in Total Covered Assets.

The proportion of eligible exposures for the first year of reporting is represented by loans to households guaranteed by residential properties and by trade and residential real estate guarantees recovered and held for sale.

The sum of the “Proportion of exposures in eligible economic activities within the context of total assets” and the “Proportion of exposures in non-eligible economic activities within the context of total assets” is equal to 57.37% of total covered assets, the remaining part of total covered assets is represented by derivatives, exposures to undertakings that are not obliged to publish non-financial information, on-demand inter-bank loans, cash and other assets.

TAXONOMY IN THE BUSINESS AND FINANCIAL STRATEGY AND IN PRODUCT DESIGN

With the 2022-2025 Business Plan, Intesa Sanpaolo intends to further strengthen its role as a leading bank in terms of ESG issues, thereby undertaking not only to allocate approximately 115 billion euro to the community and to the green transition and approximately 500 million euro to assist people in need, but also to achieve the zero net emissions target by 2030 for their own emissions and by 2050 for loan and investment portfolios and for asset management and business insurance, as part of the Group’s participation, in the last quarter of 2021, in the Net Zero Banking Alliance (NZBA), the Net Zero Asset Managers Initiative (NZAMI), as well as the Net-Zero Asset Owner Alliance (NZAOA) and the Net-Zero Insurance Alliance (NZIA). The 2022-2025 Business Plan has already defined the reduction targets by 2030 for financed emissions in high-emission priority sectors, which account for over 60% of financed emissions of the portfolio of non-financial companies in the sectors identified by the NZBA.

These activities are part of the framework defined by the EU taxonomy, which aims to redirect capital towards environmentally sustainable activities.

² Total Covered Assets = Total Assets minus exposures to central banks, central governments, trading books.

³ NFRD, Non-Financial Reporting Directive. Exposures to undertakings that are not obliged to publish non-financial information pursuant to Article 19-bis or 29-bis of Directive (EU) 2013/34 are included. Namely, large companies which are public interest entities and which, at the financial statements date, have an average number of employees equal to 500 units during the financial year.

Principles for Responsible Banking



Principles for Responsible Banking

Intesa Sanpaolo is a signatory of the Principles for Responsible Banking (PRB), launched in September 2019. In order to communicate the progress achieved with respect to the PRB, Intesa Sanpaolo has adopted a Self-assessment Reporting Template, shown below.



Reporting Requirements for Self-assessment	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
<p>Principle 1: Alignment</p> <p>We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.</p>		

1.1. Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.

1.2. Describe how your bank has aligned and/or is planning to align its strategy to be consistent with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

- Intesa Sanpaolo is aware of the fact that many of the objectives set in the 2018-2021 Business Plan are strictly connected with certain Sustainable Development Goals.
- Intesa Sanpaolo has subscribed to a series of international initiatives and standards, including the Global Compact, UNEP-FI, Equator Principles, CDP, TCFD, PRI, PSI.
- In the new 2022-2025 Business Plan, ESG issues, with a strong focus on climate, represent one of the pillars for creating sustainable value and for further strengthening Intesa Sanpaolo's leadership in the ESG dimension.
- In 2021, Intesa Sanpaolo set itself the goal of achieving net-zero emissions by 2050 with reference to both its own emissions and those relating to the loan and investment portfolios, for asset management and the insurance business, and adhered to the related initiatives launched by UNEP FI: Net-Zero Banking Alliance (NZBA), Net Zero Asset Managers Initiative (NZAMI), Net-Zero Asset Owner Alliance (NZAOA) and Net-Zero Insurance Alliance (NZIA).
- Intesa Sanpaolo supports the transition to a low-carbon emissions economy through, for example, actions aimed at mitigating its direct emissions, financial support initiatives for the green investments of its customers or in-depth analyses of environmental and climate risk within its financial services.
- Intesa Sanpaolo attaches a central role to projects focused on the social, cultural and civil growth of the community in which it operates and has decided to make a commitment to greater social cohesion, in order to reduce inequalities, by supporting charitable bodies and associations in tackling poverty, ensuring access to credit for excluded individuals or those who are unlikely to access through traditional financial channels (Fund for Impact) and promoting youth employment through training courses ('Giovani e Lavoro' programme)

Consolidated Non-financial Statement [i]:

- Voluntary commitment to domestic and international initiatives and strategies for the United Nations Sustainable Development Goals (page 30)
- Financial inclusion and supporting production (page 115)
- Community support (page 141)
- Climate change (page 195)
- ESG and climate strategic objectives (page 213)

Principle 2: Impact and Target Setting

We will work to continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1. Impact Analysis

Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfils the following elements:

a) Scope: The bank's core business areas, products/ services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.

- The materiality analysis identifies the relevant economic, social and environmental issues in terms of their potential impacts, positive or negative, having an influence on the Bank's strategy and its Stakeholders
- Intesa Sanpaolo has implemented processes and defined specific responsibilities to understand and manage social and environmental risks that are significant because of their potential impact on the company's activities and the stakeholders and has also implemented the associated mitigation measures

Consolidated Non-financial Statement [i]:

- Management of environmental, social and governance risks (page 53)
- Materiality analysis and stakeholder engagement (page 68)
- Financial inclusion and supporting production (page 115)
- Transition to a sustainable, green and circular economy (page 180)
- Climate change (page 195)
- ESG and climate strategic objectives (page 213)

Reporting Requirements for Self-assessment	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
<p>b) Scale of Exposure: In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.</p> <p>c) Context & Relevance: Your bank has taken into account the most relevant challenges and priorities related to sustainable development in the countries/ regions in which it operates.</p> <p>d) Scale and intensity/salience of impact: In identifying its areas of most significant impact, the bank has considered the scale and intensity/ salience of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services.</p> <p><i>(Your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d)).</i></p> <p>Show that building on this analysis, the bank has:</p> <ul style="list-style-type: none"> • Identified and disclosed its areas of most significant (potential) positive and negative impact • Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts 	<ul style="list-style-type: none"> ▪ Intesa Sanpaolo defines the impacts of its activities and business, endeavouring to maximise its positive impacts, while reducing the negative ones. Among these, Intesa Sanpaolo strives to reduce its carbon emissions, optimising its activities, mitigating the environmental and social impacts associated with the financing activities, through a holistic approach for the integration of ESG/ Climate factors into its credit framework which includes, among other things, self-regulation policies in ESG sensitive sectors. ▪ Intesa Sanpaolo periodically conducts a materiality analysis (involving and interacting with its relevant stakeholders to identify, classify and assign priorities to address emerging risks and exploit strategic business opportunities) that meets some of the requirements of the Principle. ▪ Intesa Sanpaolo collaborates with other PRB signatories in the development, understanding and implementation of methodologies and tools for an overall impact assessment, which are necessary for an analysis of the impact of its portfolio. ▪ The Group also participates in Working Groups and in national and international initiatives on environmental, social sustainability and climate change issues. 	

Provide the bank's conclusion / statement as to whether it has met the Impact Analysis requirements

Intesa Sanpaolo has met the impact analysis requirements by identifying the areas with the most significant impacts, both positive and negative, through a materiality assessment. The Group will continue to develop an Impact Analysis.

<p>2.2. Target Setting</p> <p>Show that the bank has set and published a minimum of two Specific, Measurable (can be qualitative or quantitative), Achievable, Relevant and Time-bound (SMART) targets, which address at least two of the identified "areas of most significant impact", resulting from the bank's activities and provision of products and services.</p>	<ul style="list-style-type: none"> ▪ In the recently completed 2018-2021 Business Plan and in the new 2022-2025 Business Plan, Intesa Sanpaolo set itself key social, cultural and environmental responsibility goals that involve various stakeholders. 	<p>Consolidated Non-financial Statement [i]:</p> <ul style="list-style-type: none"> ▪ Voluntary commitment to domestic and international initiatives and strategies for the United Nations Sustainable Development Goals (page 30) ▪ Main performance indicators – Financial inclusion and supporting production (page 115);
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Reporting Requirements for Self-assessment	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
<p>Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed against a particular year) and have set targets against this baseline.</p> <p>Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.</p>	<ul style="list-style-type: none"> ▪ Intesa Sanpaolo, among the commitments defined in the new 2022-2025 Business Plan, has identified the granting of new MLT lending to the real economy, totalling ~328 billion euro; a total contribution through investments and donations of around 500 million euro to meet social needs; social credit amounting to 25 billion euro dedicated, among others, to non-profit organisations and categories struggling to access credit despite their potential; Net-Zero target on own emissions by 2030 with 100% of energy purchased from renewable sources at Group level; net-zero aligned emissions reduction targets for 2030 in the oil&gas, power generation, automotive and coal mining sectors which account for over 60% of the Non-Financial Corporates portfolio financed emissions in the sectors identified by the NZBA (phase-out policy for the coal mining sector with a reduction in exposure from 0.2 billion euro to zero by 2025); the commitment to planting more than 100 million trees, both directly and with dedicated financing to customers; support to the green and circular economy and the green transition with 88 billion euro, 8 billion euro of which dedicated to the circular economy; the increase in Assets under Management (AuM) in sustainable investments from 110 billion euro in 2021 to 156 billion euro in 2025¹ ▪ The Bank will review its objectives based on the impact analysis in line with the PRB requirements 	<ul style="list-style-type: none"> ▪ Main performance indicators - Sustainable investments and insurance (page 128) ▪ Main performance indicators - Community support (page 141) ▪ Main performance indicators - Transition to a sustainable, green and circular economy (page 180) ▪ Main performance indicators - Climate change (page 195) ▪ ESG and climate strategic objectives (page 213)

Provide the bank's conclusion / statement as to whether it has met the requirements relating to the Target Setting activity

Intesa Sanpaolo has met the Target Setting requirements

<p>2.3. Plans for the Implementation and Monitoring of the targets</p> <p>Show that your bank has defined actions and milestones to meet the set targets.</p> <p>Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these definitions, and any rebasing of baselines should be transparent.</p>	<ul style="list-style-type: none"> ▪ Intesa Sanpaolo has implemented its own sustainability strategy as well as guidelines and specific policies in this regard. The implementation and monitoring of the sustainability strategy are assessed twice a year by the Board of Directors. ▪ The sustainability/ESG governance system is based on the involvement, not only of the Board of Directors, but also of the Committees that support the assessment and in-depth analysis processes related to ESG issues. ▪ With the aim of strengthening the Group's current positioning on ESG (Environmental, Social and Governance) issues and on combating climate change, the ESG Control Room has been operational since 2020, supporting the Steering Committee and exercising operational coordination for the implementation of the most important ESG initiatives and assesses the opportunity and solidity of new initiatives in this area. The Risks Committee, in view of the growing focus on sustainability issues, also confirmed by the provisions of the Bank's 2022-2025 Business Plan, sees the strengthening and expansion of the responsibilities already assigned to it in this area, and has accordingly been renamed "Risk and Sustainability Committee". ▪ The set targets are monitored on a regular basis with the definition of KPIs. 	<p>Consolidated Non-financial Statement [1]:</p> <ul style="list-style-type: none"> ▪ Sustainability Governance (page 47)
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Provide the bank's conclusion / statement as to whether it has met the requirements relating to the Plans for Implementation and Monitoring of the targets

Intesa Sanpaolo has met the requirements relating to the plans for Implementation and Monitoring of the targets.

¹ Eurizon perimeter – Funds pursuant to articles 8 and 9 SFDR 2008.

Reporting Requirements for Self-assessment	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
<p>2.4. Progress in the Implementation of the Targets</p> <p>For each target separately: Show that your bank has implemented the actions it had previously defined to meet the set target. Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target. Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)</p>	<ul style="list-style-type: none"> ▪ Every year, Intesa Sanpaolo publishes a Consolidated Non-Financial Statement (CNFS) which describes how the Group deals with corporate sustainability, how it implements its sustainability strategy, the targets set and the main results achieved; in the fourth quarter of 2021 it published the first TCFD Report focused on the Group's commitment to climate issues, and, for the third consecutive year, a half-yearly Consolidated Non-Financial Report providing evidence of the most relevant indicators. ▪ In recent years, Intesa Sanpaolo Group has shown its ability to generate value for all stakeholders, achieving important results even in challenging external contexts, especially during the period marked by the health emergency. The 2018-2021 Business Plan was therefore brought to completion with the attainment of results in line with the stated objectives. ▪ Details on the progress of each target can be found in the references provided. ▪ The Bank monitors progress in the implementation of the set targets and reports on the progress of the achievement on a regular basis through annual reports. 	<p>Consolidated Non-financial Statement [1]:</p> <ul style="list-style-type: none"> ▪ Main performance indicators (page 10) ▪ Voluntary commitment to domestic and international initiatives and strategies for the United Nations Sustainable Development Goals (page 30) ▪ 2018-2021 Business Plan (page 78) ▪ ESG and climate strategic objectives (page 213)

Provide the bank's conclusion / statement as to whether it has met the requirements relating to the Implementation of the Targets

Intesa Sanpaolo has met the requirements relating to progress in the Implementation of the Targets

Principle 3: Clients and Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

<p>3.1. Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.</p>	<ul style="list-style-type: none"> ▪ Intesa Sanpaolo aims to become an exemplary model for society, through a series of initiatives aimed at, among other things, granting loans to groups that have difficulty accessing credit despite their potential, ensuring support to people in need, mitigating the consequences of natural disasters for households and businesses, supporting the Circular Economy's development, and making the most of the artistic, cultural and historical heritage of the Group to promote art and culture in Italy and abroad. ▪ Intesa Sanpaolo has long been committed to supporting the transition to a low carbon economy through direct actions to mitigate its own emissions and green initiatives and projects for the benefit of its customers. To this end, Intesa Sanpaolo has allocated a 6 billion euro credit plafond for circular economy projects and a 2 billion euro credit plafond for S-Loans, which reward businesses for achieving specific sustainability targets; the Group has also made 76 billion euro available to support the Green Economy, the Circular Economy and the ecological transition as part of its commitment to supporting the National Recovery and Resilience Plan. The Group also developed the ESG Lab initiative, a physical and virtual meeting point for accompanying Italian businesses during the sustainable transition (two Labs were launched in 2021 and more are scheduled during 2022). 	<p>Consolidated Non-financial Statement [1]</p> <ul style="list-style-type: none"> ▪ Management of environmental, social and governance risks (page 53) ▪ Management of risks and potential impacts linked to climate change (page 59) ▪ 2018-2021 Business Plan (page 78) ▪ Financial inclusion and supporting production (page 115) ▪ Sustainable investments and insurance (page 128) ▪ Community support (page 141) ▪ Transition to a sustainable, green and circular economy (page 180)
<p>3.2 Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities.</p>	<ul style="list-style-type: none"> ▪ Intesa Sanpaolo Formazione continued to develop its digital training offering dedicated to companies through the Skills4Capital platform with numerous training contents on social and environmental impact issues. Furthermore, it designed Skills4ESG, an initiative aimed at raising awareness of ESG issues via a customer portal, a single access point for ESG training topics. 	

Reporting Requirements for Self-assessment	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
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This should include information on actions planned/ implemented, products and services developed, and, where possible, the impacts achieved.

- Eurizon offers investors funds that apply selection criteria in compliance with the Principles for Responsible Investment with the aim of stimulating sustainability dynamics in the businesses invested in and to offer customers products that meet the new needs of sustainability. Eurizon Capital and Fideuram Asset Management SGR have also signed up to the Italian Stewardship Principles, which define the procedures for exercising administrative and voting rights in listed companies, in order to stimulate discussion and cooperation about social and environmental sustainability issues with listed issuers that the company invests in.

Principle 4: Stakeholders
We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1 Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/ results achieved.

- In the recently completed 2018-2021 Business Plan and in the new 2022-2025 Business Plan, Intesa Sanpaolo set itself key social, cultural and environmental responsibility goals that involve various stakeholders. In 2021, the stakeholder engagement activities, carried out in line with the AA1000 AccountAbility standard, covered the issues outlined in the materiality matrix, in particular with specific focus on COVID-19, as a result of the health emergency context that marked the two-year 2020-2021 period and the recovery strategies, with special reference to the National Recovery and Resilience Plan.

- Consolidated Non-financial Statement [1]:**
- Materiality analysis and stakeholder engagement (page 68)
 - ESG and climate strategic objectives (page 213)

Principle 5: Governance & Culture
We will implement our commitment to these Principles through effective governance and a culture of responsible banking

5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.

- The Managing Director and CEO submits the establishment of strategic guidelines and policies on sustainability (ESG), including combating climate change, to the relevant Board Committees and to the Board of Directors, with the support of the Steering Committee. The Board of Directors approves the strategic and political guidelines on sustainability (ESG) - with the support of the Risks Committee - taking into account the objectives of solid and sustainable creation and distribution of value for all stakeholders, including the environment as stated in the Group's Code of Ethics. In addition, the Steering Committee - composed of the first organisational line - meets on a quarterly basis to examine sustainability issues (ESG). The Risks Committee, in view of the growing focus on sustainability issues, also confirmed by the provisions of the Bank's 2022-2025 Business Plan, sees the strengthening and expansion of the responsibilities already assigned to it in this area, and the Committee has accordingly been renamed "Risk and Sustainability Committee".
- The ESG Control Room supports the Steering Committee - Business Plan and Sustainability (ESG) Session - in the strategic proposition relating to ESG issues; it takes care of the operational coordination for the implementation of the most relevant ESG initiatives and assesses the opportunity and solidity of any new initiatives in this area. Overseen by the CFO Area and by the Strategic Support Department, it relies on the Sustainability Managers, identified in each Governance Area and Division, who guarantee an overall and integrated supervision of ESG initiatives for the relevant scope and contribute to the Group's strategic proposition on these issues. It was introduced as part of the ISP4ESG Programme and has been operational since October 2020.

- Consolidated Non-financial Statement [1]**
- Sustainability Governance (page 47)
 - Sustainable investments and insurance (page 128)

5.2 Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.

5.3 Governance structure for the Implementation of the Principles

- The ESG & Sustainability structure oversees the process of defining, approving and updating ESG and sustainability guidelines, in line with corporate strategies and objectives and, in coordination with the ESG Control Room, contributes to support the Steering Committee in preparing proposals for strategic guidelines and sustainability policies (ESG).

Reporting Requirements for Self-assessment	High-level summary of bank's response	Reference(s)/ Link(s) to bank's full response/ relevant information
<p>Show that your bank has a governance structure in place for the implementation of the PRB, including:</p> <ol style="list-style-type: none"> target-setting and actions to achieve targets set remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected. 	<ul style="list-style-type: none"> With regard to Sustainable Investments, work was carried out for the implementation of the EU Regulation 2019/2088 (the Sustainable Finance Disclosure Regulation). Eurizon has defined a framework that provides for the involvement of numerous corporate bodies and structures, which contribute together towards the implementation of the Sustainability Policy and which bear witness to the across-the-board nature of responsibilities at all levels. In Fideuram - Intesa Sanpaolo Private Banking, within the Division's Steering Committee, a Sustainability session (ESG) was established that defines strategic actions and initiatives in the field of sustainability, also with respect to the guidelines of the ESG Control Room and in line with the principles of the Group's Code of Ethics; the Insurance Division launched an important project to strengthen the integration of ESG factors and accelerate the path towards the net-zero goal that provided for the involvement of the main areas of activity of the Division; moreover, the Sustainability Policy was published, which summarises the values and commitments of the Insurance Group, with the aim of promoting a responsible and sustainable business model. Intesa Sanpaolo supports the spread of a culture of sustainability through a range of training initiatives in and out of the Group's structures. 	

Provide the bank's conclusion / statement as to whether it has met the requirements relating to the Governance Structure for the Implementation of the Principles

Intesa Sanpaolo has met the requirements relating to the Governance Structure for the Implementation of the Principles.

Principle 6: Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1 Progress in the Implementation of the Principles for Responsible Banking

Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).

Show that your bank has considered existing and emerging international / regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.

Show that your bank has implemented/ is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/ regional good practices and has made progress on its implementation of these Principles.

- Intesa Sanpaolo publishes an annual Consolidated Non-Financial Statement (CNFS) drafted in accordance with the GRI Standards, taking into consideration the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the indicators required by the Sustainability Accounting Standards Board (SASB), where deemed applicable. In consideration of Intesa Sanpaolo's commitment to adopting and implementing the Stakeholder Capitalism Metrics developed by the World Economic Forum (WEF), the indicators defined by the WEF and the relevant information for disclosure purposes in accordance with the provisions of article 8 of the Delegated Act of the EU Taxonomy Regulation (Regulation EU 852/2020) were reported, where applicable and relevant for the Group.
- Intesa Sanpaolo published, for the third consecutive year, a half-yearly Consolidated Non-Financial Report providing evidence of the most relevant indicators and, in the fourth quarter of 2021, it published the first TCFD Report on the Group's commitment to climate issues.
- Intesa Sanpaolo annually publishes a Green Bond Report, reporting on the allocation of the proceeds and the environmental impacts and benefits derived, with reference to the Green Bonds issued by the Group.

Consolidated Non-financial Statement [i]

- Green Bonds (page 187)
- Methodology (page 300)

TCFD Report [i]

Consolidated Non-financial Report as at 30 June 2021 [i]

Provide the bank's conclusion / statement as to whether it has met the requirements relating to Progress in the Implementation of the Principles for Responsible Banking

Intesa Sanpaolo has met the requirements relating to Progress in the Implementation of the Principles for Responsible Banking.

GRI Content Index



GRI Content Index



For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report. This service was performed on the Italian version of the report.

THIS STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH THE GRI STANDARDS: "COMPREHENSIVE" OPTION

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions	Global Compact	SDGs(*)
GRI 101: Foundations 2016					
General Disclosures					
GRI 102: General Disclosures 2016	ORGANIZATIONAL PROFILE				
102-1	Name of the organization	page 307			
102-2	Activities, brands, products, and services	pages 27-28; About us [i]; Our Brand [i]			
102-3	Location of headquarters	page 307			
102-4	Location of operations	pages 27-29; A Presentation of the Group (pages 26-29) [i]			
102-5	Ownership and legal form	page 45; page 307			
102-6	Markets served	pages 27-29; A Presentation of the Group (pages 26-29) [i]			
102-7	Scale of the organization	page 45; page 237; A Presentation of the Group (page 5) [i]			
102-8	Information on employees and other workers	pages 237-240; Intesa Sanpaolo does not have a substantial portion of its work performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. The change in the number of employees of the Intesa Sanpaolo Group in the reporting year is mainly linked to the sale of branches carried out in the first half of 2021 and to voluntary redundancies/exits. The count is carried out "per head".		Principle 6	8
102-9	Supply chain	pages 210-211; page 236			
102-10	Significant changes to the organization and its supply chain	page 45; pages 79-81; pages 300-301; Changes of the Intesa Sanpaolo Group supply chain are related primarily to the acquisition of the former UBI Banca Group occurred in 2020.			
102-11	Precautionary Principle or approach	pages 53-66; Report on Corporate Governance and Ownership Structures (page 81) [i]			
102-12	External initiatives	pages 30-39; Adherence to international standards [i]			17
102-13	Membership of associations	Our partnerships in sustainability [i]			17
STRATEGY					
102-14	Statement from senior decision-maker	pages 6-7; pages 78-79			
102-15	Key impacts, risks, and opportunities	pages 53-55; pages 60-62; pages 74-75; page 77; pages 213-217			
ETHICS AND INTEGRITY					
102-16	Values, principles, standards, and norms of behavior	page 29; Code of Ethics (page 7; page 9) [i]		Principle 10	16

* Sustainable Development Goals of the United Nations.

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions	Global Compact	SDGs(*)
102-17	Mechanisms for advice and concerns about ethics	pages 50-52; page 93; Code of Ethics (pages 22-23) [i]		Principle 10	16
GOVERNANCE					
102-18	Governance structure	page 41; page 47; Report on Corporate Governance and Ownership Structures (pages 35-37) [i]			
102-19	Delegating authority	page 41; pages 47-49; Report on Corporate Governance and Ownership Structures (page 25; page 65) [i]			
102-20	Executive-level responsibility for economic, environmental, and social topics	page 47; Report on Corporate Governance and Ownership Structures (page 27; pages 82-83) [i]			
102-21	Consulting stakeholders on economic, environmental, and social topics	pages 47-49; pages 68-71; Report on Corporate Governance and Ownership Structures (page 25; page 88) [i]			16
102-22	Composition of the highest governance body and its committees	pages 41-42; page 47; page 68; page 219; Report on Corporate Governance and Ownership Structures (page 41; pages 93-94) [i]			5, 16
102-23	Chair of the highest governance body	page 41			16
102-24	Nominating and selecting the highest governance body	pages 41-42; Report on Corporate Governance and Ownership Structures (pages 41-45) [i]			5, 16
102-25	Conflicts of interest	Report on Corporate Governance and Ownership Structures (pages 50-51) [i]			16
102-26	Role of highest governance body in setting purpose, values, and strategy	pages 47-49			
102-27	Collective knowledge of highest governance body	pages 41-42			4
102-28	Evaluating the highest governance body's performance	Report on Corporate Governance and Ownership Structures (pages 51-53) [i]			
102-29	Identifying and managing economic, environmental, and social impacts	pages 53-56; pages 59-66; pages 73-75; Report on Corporate Governance and Ownership Structures (pages 69-71) [i]			16
102-30	Effectiveness of risk management processes	Report on Corporate Governance and Ownership Structures (pages 69-71) [i]			
102-31	Review of economic, environmental, and social topics	pages 47-49			
102-32	Highest governance body's role in sustainability reporting	page 47; Report on Corporate Governance and Ownership Structures (pages 69-71) [i]			
102-33	Communicating critical concerns	pages 47-59			
102-34	Nature and total number of critical concerns	pages 50-52; Code of Ethics (pages 22-23) [i]			
102-35	Remuneration policies	pages 43-44; pages 162-163; Report on Corporate Governance and Ownership Structures (pages 71-72) [i], Report on remuneration policy and compensation paid (pages 9-11) [i], Remuneration and Equity investments [i]			
102-36	Process for determining remuneration	pages 43-44; pages 162-163; Report on Corporate Governance and Ownership Structures (pages 71-72) [i], Report on remuneration policy and compensation paid (pages 9-11) [i]			
102-37	Stakeholders' involvement in remuneration	Report on Corporate Governance and Ownership Structures (pages 71-72) [i], Report on remuneration policy and compensation paid (pages 19-21; page 44; pages 84-88) [i]			16
102-38	Annual total compensation ratio	page 244			
102-39	Percentage increase in annual total compensation ratio	page 244			

* Sustainable Development Goals of the United Nations.

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions	Global Compact	SDGs(*)
STAKEHOLDER ENGAGEMENT					
102-40	List of stakeholder groups	page 68			
102-41	Collective bargaining agreements	page 251		Principle 3	8
102-42	Identifying and selecting stakeholders	The dialogue with stakeholders [i]			
102-43	Approach to stakeholder engagement	pages 68-71; pages 73-75			
102-44	Key topics and concerns raised	pages 68-75; pages 213-217			
REPORTING PRACTICE					
102-45	Entities included in the consolidated financial statements	pages 300-301; Financial Reports (Annual Report 2021 Notes to the consolidated financial statements - Part A SECTION 3 - SCOPE OF CONSOLIDATION AND CONSOLIDATION METHODS pages 217-223) [i]; The companies excluded from the reporting scope of the 2021 Consolidated Non-Financial Statement are set out below: Gruppo Risanamento; Intesa Sanpaolo Provis; Intesa Sanpaolo Smart Care; ISP Rent Foryou Spa; Qingdao Yicai Fund Distribution Co. Ltd.; ISP Qingdao Ser.Co Ltd; Intesa Sanpaolo Holding International; Lux Gest Asset Management S.A. (ex Luxicav Conseil S.A.); ISP International Value Services; IMMIT - Immobili Italiani S.r.l.; Intesa Sanpaolo Reoco SpA; Exetra Spa; Intesa Sanpaolo Insurance Agency S.p.A.; Assicurazioni Vita SpA; Cargeas Assicurazioni S.p.A.; Lombarda Vita S.p.A.; Reyl & Cie SA; RB Partecipationes SA; Asteria Investment Managers Sa.			
102-46	Defining report content and topic Boundaries	pages 69-71; pages 290-291			
102-47	List of material topics	page 72; pages 290-291			
102-48	Restatements of information	pages 20-21; page 79; page 81; page 115; page 159; pages 195-196; pages 225-226; page 232; pages 300-301			
102-49	Changes in reporting	pages 72-75; pages 290-291; pages 300-301			
102-50	Reporting period	pages 300-301			
102-51	Date of most recent report	pages 300-301			
102-52	Reporting cycle	pages 300-301			
102-53	Contact point for questions regarding the report	page 307			
102-54	Claims of reporting in accordance with the GRI Standards	page 274			
102-55	GRI content index	pages 274-288			
102-56	External assurance	pages 303-306; This Consolidated Non financial statement has been verified by the independent Firm EY which also audits the Group's Annual Report. The Statement has been submitted for the approval of the Bank's Board of Directors in its meetings of March 15, 2022.			

Material Topics

ECONOMIC PERFORMANCE

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	pages 79-82; pages 290-291			
103-2	The management approach and its components	pages 50-52; pages 77-82; pages 290-291			8, 16

* Sustainable Development Goals of the United Nations.

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions	Global Compact	SDGs(*)
	103-3	Evaluation of the management approach	pages 50-52; Report on Corporate Governance and Ownership Structures (pages 58-64; pages 77-78) [i]		
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	pages 81-82; page 143; page 226		5, 7, 8, 9, 13
	201-2	Financial implications and other risks and opportunities due to climate change	pages 59-66; page 240; TCFD Report [i]; Climate Change [i]	Principle 7	
	201-3	Defined benefit plan obligations and other retirement plans	page 172; Financial Reports (Annual Report 2021 "Notes to the consolidated financial statements - Part B SECTION 10 – ALLOWANCES FOR RISKS AND CHARGES – CAPTION 100" pages 366-370) [i]		
	201-4	Financial assistance received from government	pages 79-81; page 207; page 248		
MARKET PRESENCE					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 79; page 290		
	103-2	The management approach and its components	pages 50-52; pages 77-81; page 290		
	103-3	Evaluation of the management approach	page 44; pages 50-52		
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	page 245	Principle 6	1, 2, 5, 8
	202-2	Proportion of senior management hired from the local community	page 241		8
INDIRECT ECONOMIC IMPACTS					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pages 79-81; page 290		
	103-2	The management approach and its components	pages 50-52; pages 77-81; page 290		1
	103-3	Evaluation of the management approach	page 44; pages 50-52		
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	pages 65-66; page 108; page 143		2, 5, 7, 9, 11
	203-2	Significant indirect economic impacts	pages 73-75; page 117		1, 2, 3, 8, 10, 17
ANTI-CORRUPTION					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 83; page 291		
	103-2	The management approach and its components	page 39; pages 50-52; pages 84-86; page 93; page 291		
	103-3	Evaluation of the management approach	page 39; pages 50-52; pages 84-86; pages 92-93		
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	pages 92-93	Principle 10	16
	205-2	Communication and training about anti-corruption policies and procedures	pages 42-43; pages 84-86; pages 210-211; page 221 In compliance with the Implementing Regulations of the Group's anti-corruption guidelines, for all third parties with which Intesa Sanpaolo entertains relationships, the contract governing the [same] relationship must contain a declaration whereby the third party undertakes to comply with the applicable anti-corruption regulations and the principles set forth in the Guidelines and/or in the Regulations. In this way, the disclosure of anti-corruption policies and procedures to all business partners is ensured.	Principle 10	16

* Sustainable Development Goals of the United Nations.

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions	Global Compact	SDGs ^(*)
	205-3	Confirmed incidents of corruption and actions taken	page 223	Principle 10	16
ANTI-COMPETITIVE BEHAVIOR					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 83; page 291		
	103-2	The management approach and its components	pages 50-52; page 83; page 90; page 291		
	103-3	Evaluation of the management approach	page 90		
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	In 2021, no lawsuits were filed nor penalties imposed against the Intesa Sanpaolo Group on the matter of competition protection.		16
TAX					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 83; page 291		
	103-2	The management approach and its components	pages 50-52; page 83; pages 87-90; page 291		
	103-3	Evaluation of the management approach	pages 87-90		
GRI 207: Tax 2019	207-1	Approach to tax	pages 87-90		
	207-2	Tax governance, control, and risk management	pages 87-90		16
	207-3	Stakeholder engagement and management of concerns related to tax	pages 87-90		16
	207-4	Country-by-country reporting	page 28; page 90; page 224		
MATERIALS					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 195; page 290		
	103-2	The management approach and its components	pages 196-197; pages 202-203; page 215		
	103-3	Evaluation of the management approach	pages 50-52; pages 202-203		
GRI 301: Materials 2016	301-1	Materials used by weight or volume	page 196; pages 202-203; pages 261-263	Principle 7, 8	8, 12
	301-2	Recycled input materials used	page 196; pages 202-203; pages 261-263	Principle 8	8, 12
	301-3	Reclaimed products and their packaging materials	Physical products to be recalled/withdrawn from the market and the related packaging products are not envisaged for the type of business conducted.	Principle 8	8, 12
ENERGY					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 195; page 290		
	103-2	The management approach and its components	pages 195-202; page 290 Climate Change Action Plan [i]		
	103-3	Evaluation of the management approach	pages 50-52; pages 196-201		
GRI 302: Energy 2016	302-1	Energy consumption within the organization	pages 196-201; pages 260-261 Emission Factors [i]	Principle 7, 8	7, 8, 11, 12, 13
	302-2	Energy consumption outside of the organization	pages 260-261 Emission Factors [i]	Principle 8	7, 8, 11, 12, 13

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GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions	Global Compact	SDGs(*)
	302-3	Energy intensity	pages 260-261	Principle 8	7, 8, 11, 13
	302-4	Reduction of energy consumption	page 196; pages 199-201	Principle 8, 9	7, 8, 11, 13
	302-5	Reductions in energy requirements of products and services	pages 181-188	Principle 8, 9	7, 8, 11, 13
WATER AND EFFLUENTS					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 195; page 290		
	103-2	The management approach and its components	pages 196-197; page 290		
	103-3	Evaluation of the management approach	pages 50-52; page 203		
GRI 303: Water and effluents 2018	303-1	Interactions with water as a shared resource	page 32; page 203 The activity carried out by the Group does not expect significant impacts relating to water consumption, consequently not objectives have been identified by the Group in this scope.		
	303-2	Management of water discharge-related impacts	page 203 The activity carried out by the Group does not provides for the significant use of water, the generation of related spills and the significant impacts.		
	303-3	Water withdrawal	page 203; page 262; The information relating to the use of water resources (Article 3.2a of Legislative Decree no. 254/2016) is not considered significant for the purpose of understanding the impacts generated, considering the extent of consumption which is exclusively of a hygienic-sanitary type and the scarce relevance for the banking sector and the Group's business model.	Principle 7, 8	6
	303-4	Water discharge	page 203 The activity carried out by the Group does not provides for the significant use of water, the generation of related spills and the significant impacts.	Principle 7, 8	6
	303-5	Water consumption	page 203; page 262 The activities carried out by the Group do not provide for significant water consumption therefore there are no significant impacts in this scope.	Principle 7, 8	6
EMISSIONS					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 195; page 290		
	103-2	The management approach and its components	pages 196-200; page 290		12, 13, 14, 15
	103-3	Evaluation of the management approach	pages 50-52; pages 196-200		
GRI 305: Emissions 2016	305-1	Direct (Scope1) GHG emissions	page 195; pages 199-200; page 259; Emission Factors [i]	Principle 7, 8	3, 11, 12, 13, 14, 15
	305-2	Energy indirect (Scope2) GHG emissions	page 195; pages 199-200; page 259; Emission Factors [i]	Principle 7, 8	3, 11, 12, 13, 14, 15
	305-3	Other indirect (Scope3) GHG emissions	page195; page 259; Emission Factors [i]	Principle 7, 8	3, 11, 12, 13, 14, 15

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GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions	Global Compact	SDGs(*)
	305-4	GHG emissions intensity	page 195; page 259	Principle 8	13, 14, 15
	305-5	Reduction of GHG emissions	pages 199-200	Principle 8, 9	13, 14
	305-6	Emissions of ozone-depleting substances (ODS)	There are no significant use, within the Group, of ozone-depleting substance related to air conditioning. Emission Factors [i]	Principle 7, 8	3, 11, 13
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	page 260; Emission Factors [i]	Principle 7, 8	3, 11, 13, 14, 15
WASTE					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 195; page 290		
	103-2	The management approach and its components	pages 196-197; page 290		12, 13, 14, 15
	103-3	Evaluation of the management approach	pages 50-52; page 204		
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	page 196; page 204	Principle 8	3, 6, 12
	306-2	Management of significant waste-related impacts	page 204	Principle 8	3, 6, 12
	306-3	Waste generated	page 196; page 204; pages 262-263	Principle 8	3, 6, 12
	306-4	Waste diverted from disposal	page 204; page 262		
	306-5	Waste directed to disposal	page 204; page 263	Principle 8	3, 6, 12
ENVIRONMENTAL COMPLIANCE					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 195; page 291		
	103-2	The management approach and its components	pages 196-197; page 291		12, 13, 14, 15
	103-3	Evaluation of the management approach	pages 50-52; pages 202-204		
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	page 223	Principle 8	16
EMPLOYMENT					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 156; page 290		
	103-2	The management approach and its components	pages 50-52; page 156; page 217; page 290		
	103-3	Evaluation of the management approach	pages 50-52; pages 156-157		
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	pages 242-243	Principle 6	5, 8
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	page 252; In general, there no differences between the benefits provided to fulltime employees and those provided to part-time employees. For employees with a fixed-term contract, due to the nature of the contract itself, access to the Healthcare Fund and to ALI is not permitted, whereas access to the Group's Supplementary Pension Fund is permitted to a very limited extent.		8
	401-3	Parental leave	page 253	Principle 6	5, 8

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GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions	Global Compact	SDGs(*)	
LABOR/MANAGEMENT RELATIONS						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 156; page 290			
	103-2	The management approach and its components	pages 50-52; pages 156-157; page 217; page 290			
	103-3	Evaluation of the management approach	pages 50-52; pages 156-157			
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	page 223	Principle 3		
OCCUPATIONAL HEALTH AND SAFETY						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 169; page 290			
	103-2	The management approach and its components	pages 50-52; page 170; pages 175-178; page 290			
	103-3	Evaluation of the management approach	pages 50-52; pages 175-178			
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	pages 175-178			
	403-2	Hazard identification, risk assessment, and incident investigation	pages 175-178			
	403-3	Occupational health services	pages 175-178		3	
	403-4	Worker participation, consultation, and communication on occupational health and safety	pages 175-178		8	
	403-5	Worker training on occupational health and safety	page 257			
	403-6	Promotion of worker health	pages 170-174		3	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	pages 175-178			
	403-8	Workers covered by an occupational health and safety management system	page 178 100% of the Group's employees is covered by an health and safety management system.	Part of the information is not available: the data and information relating to injuries of non-employee workers are not monitored as the Italian regulations currently in force do not provide for the obligation to collect the aforementioned data type. The feasibility and above all the significance of implementing a specially designed collection and monitoring system and making said information available as from 2025 will be assessed		8
	403-9	Work-related injuries	pages 256-257	Part of the information is not available: the data and information relating to injuries of non-employee workers are not monitored as the Italian regulations currently in force do not provide for the obligation to collect the aforementioned data type. The feasibility and above all the significance of implementing a specially designed collection and monitoring system and making said information available as from 2025 will be assessed		3, 8

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GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions	Global Compact	SDGs(*)
	403-10	Work-related ill health	page 255; page 257		8
			Part of the information is not available: the data and information relating to injuries of non-employee workers are not monitored as the Italian regulations currently in force do not provide for the obligation to collect the aforementioned data type. The feasibility and above all the significance of implementing a specially designed collection and monitoring system and making said information available as from 2025 will be assessed		
TRAINING AND EDUCATION					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 159; page 290		
	103-2	The management approach and its components	pages 50-52; page 160; page 217; page 290		5
	103-3	Evaluation of the management approach	pages 50-52; pages 163-164		
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	pages 247-249	Principle 6	4, 5, 8
	404-2	Programs for upgrading employee skills and transition assistance programs	page 157; page 161; pages 163-164		8
	404-3	Percentage of employees receiving regular performance and career development reviews	pages 162-163; page 246	Principle 6	5, 8
DIVERSITY AND EQUAL OPPORTUNITY					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 159; page 290		
	103-2	The management approach and its components	pages 50-52; page 160; pages 165-167; page 217; page 290		
	103-3	Evaluation of the management approach	pages 50-52; pages 165-167		
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	page 219; pages 237-243	Principle 6	5, 8
	405-2	Ratio of basic salary and remuneration of women to men	pages 244-245	Principle 6	5, 8, 10
NON DISCRIMINATION					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 83; page 156; page 206; page 291		
	103-2	The management approach and its components	pages 50-52; page 92; page 291		
	103-3	Evaluation of the management approach	pages 50-52; pages 92-93		
GRI 406: Non Discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	pages 92-93; page 207	Principle 6	5, 8, 16
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 156; pages 290-291		

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GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions	Global Compact	SDGs(*)	
	103-2	The management approach and its components	pages 50-52; pages 56-57; pages 65-66; page 207; pages 290-291			
	103-3	Evaluation of the management approach	pages 50-52; pages 207-208			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	pages 57-58; pages 65-66; pages 175-176; pages 207-208	Part of the information does not apply. The issue of relations with suppliers is not considered material for the Group since the information for the financial sector is relevant with reference to employees and credit management: the information relating to suppliers therefore does not refer to the Group's significant impacts.	Principle 3	8
CHILD LABOR						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 156; page 206; pages 290-291			
	103-2	The management approach and its components	pages 50-52; pages 57-58; pages 65-66; page 206; pages 290-291			
	103-3	Evaluation of the management approach	pages 50-52; pages 207-208			
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	pages 65-66	Part of the information does not apply. The issue of relations with suppliers is not considered material for the Group since the information for the financial sector is relevant with reference to employees and credit management: the information relating to suppliers therefore does not refer to the Group's significant impacts.	Principle 4	8, 16
FORCED OR COMPULSORY LABOR						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 156; page 206; pages 290-291			
	103-2	The management approach and its components	pages 50-52; pages 57-58; pages 65-66; page 206; pages 290-291			
	103-3	Evaluation of the management approach	pages 50-52; pages 207-208			
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	pages 57-58; pages 65-66	Part of the information does not apply. The issue of relations with suppliers is not considered material for the Group since the information for the financial sector is relevant with reference to employees and credit management: the information relating to suppliers therefore does not refer to the Group's significant impacts.	Principle 4	8
RIGHTS OF INDIGENOUS PEOPLES						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 115; page 206; page 291			
	103-2	The management approach and its components	pages 50-52; pages 57-58; pages 65-66; page 207; page 291			
	103-3	Evaluation of the management approach	pages 50-52; pages 207-208			

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GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions	Global Compact	SDGs(*)
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	In 2021 no reports emerged on possible violations of the rights of the natives; Equator Principles [i]		Principle 1	
HUMAN RIGHTS ASSESSMENT					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	page 206			
	103-2 The management approach and its components	pages 50-52; pages 206-208; page 291		Principle 1	
	103-3 Evaluation of the management approach	pages 50-52; pages 207-208			
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	pages 57-59; pages 65-66		Principle 1	
	412-2 Employee training on human rights policies or procedures	pages 50-52; page 222		Principle 1	
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	pages 57-58; pages 65-66; page 207; page 230		Principle 2	
LOCAL COMMUNITIES					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	page 115			
	103-2 The management approach and its components	pages 50-52; pages 57-58; page 117; page 214; page 291			
	103-3 Evaluation of the management approach	pages 50-52; pages 206-208			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	pages 57-59; pages 65-66		Principle 1	
	413-2 Operations with significant actual and potential negative impacts on local communities	pages 57-59; pages 65-66		Principle 1	1
Sector Specific Indicators - G4	FS13 Access point in low-populated or economically disadvantaged areas by type	page 228			1, 8, 10
	FS14 Initiatives to improve access to financial services for disadvantaged people	pages 115-122; Proximity [i]			1, 8, 10
PUBLIC POLICY					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	page 83; page 291			
	103-2 The management approach and its components	pages 50-52; page 87; page 291			
	103-3 Evaluation of the management approach	pages 50-52			
GRI 415: Public Policy 2016	415-1 Political contributions	page 87		Principle 10	16
CUSTOMER HEALTH AND SAFETY					
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	page 83; page 95; page 105; page 291			
	103-2 The management approach and its components	pages 50-52; pages 101-103; pages 112-113; page 291			
	103-3 Evaluation of the management approach	pages 50-52			
GRI 416: Customer Health Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	pages 101-103; pages 112-113			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No penalty or fines for non compliance with regulation, no incidents of non compliance with voluntary codes regarding customer Health and Safety.			16

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GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions	Global Compact	SDGs(*)
MARKETING AND LABELLING					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 83; page 95; page 291		
	103-2	The management approach and its components	pages 50-52; pages 101-103; pages 112-113; page 291		
	103-3	Evaluation of the management approach	pages 50-52		
GRI 417: Marketing and Labelling 2016	417-1	Requirements for product and service information and labeling	pages 101-103		
	417-2	Incidents of non-compliance concerning product and service information and labeling	pages 101-103; pages 112-113; Transparency to customer [i]		16
	417-3	Incidents of non-compliance concerning marketing communications	pages 101-103; pages 112-113; Transparency to customer [i]		
Sector Specific Guidance for DMA - G4	former FS15	Policies for the fair design and sale of financial products and services	pages 101-103; pages 112-113; Relationship with customers [i]		10
	former FS16	Initiatives to enhance financial literacy by type of beneficiary	pages 122-123		1, 8, 10
CUSTOMER PRIVACY					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 83; page 291		
	103-2	The management approach and its components	pages 50-52; pages 90-91; page 291		
	103-3	Evaluation of the management approach	pages 50-52		
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	pages 90-91		16
SOCIOECONOMIC COMPLIANCE					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 83; page 291		
	103-2	The management approach and its components	pages 50-52; pages 84-86; page 93; page 291		
	103-3	Evaluation of the management approach	pages 50-52		
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	Financial Reports (Annual Report 2021 "Notes to the consolidated financial statements Part E - LEGAL RISKS - TAX LITIGATION" pages 548-571) [i]		16
Sector Disclosures: Financial Services					
Social Disclosure - Product Responsibility					
PRODUCT PORTFOLIO					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 95; page 105; page 115; page 128; page 180; pages 290-291		
	103-2	The management approach and its components	pages 50-52; page 95; page 106; page 117; page 129; page 181; pages 214-216; pages 290-291		
	103-3	Evaluation of the management approach	pages 50-52		

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Sector Disclosures: Financial Services	Disclosure	Page number(s) and/or URL(s)	Omissions	Global Compact	SDGs(*)
Sector Specific Guidance for DMA - G4	former FS1	Policies with specific environmental and social components applied to business lines	pages 57-59; pages 65-66; page 117; pages 129-137; page 181; page 207; CSR Policy [i]		10
	former FS2	Procedures for assessing and screening environmental and social risks in business lines	pages 57-59; pages 65-66; pages 130-137; pages 182-188; pages 207-208		10
	former FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	pages 56-59; pages 65-66; Equator Principles [i]		
	former FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	pages 49-52; pages 189-191		10
	former FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities	pages 57-59; pages 65-66; Equator Principles [i]		10
Sector Specific Indicators - G4	FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/sme/large) and by sector	page 27; About us (A presentation of the Group. page 25) [i]		1, 8, 9
	FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	page 117; page 231		1, 8, 10, 11
	FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	pages 180-181; page 258		
AUDITS					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 83; page 291		
	103-2	The management approach and its components	pages 50-52; pages 92-93; page 291		
	103-3	Evaluation of the management approach	pages 50-52; pages 84-86		
Sector Specific Guidance for DMA - G4	former FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	pages 50-52; pages 92-93; Implementation and governance [i] Monitoring against corruption [i]		10
ACTIVE OWNERSHIP					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 128; page 291		
	103-2	The management approach and its components	pages 50-52; pages 130-133; page 291		
	103-3	Evaluation of the management approach	pages 50-52; pages 130-133		
Sector Specific Guidance for DMA - G4	former FS12	Voting polic(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting	pages 130-133		
Sector Specific Indicators - G4	FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	page 231		10
	FS11	Percentage of assets subject to positive and negative environmental or social screening	pages 231-232		10

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Non GRI Material Topics	Disclosure	Page number(s) and/or URL(s)	Omissions	Global Compact	SDGs(*)
GROUP VALUE AND SOLIDITY					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	pages 78-81; page 290		
	103-2	The management approach and its components	pages 50-52; pages 78-81; page 290		
	103-3	Evaluation of the management approach	pages 50-52; Report on Corporate Governance and Ownership Structures [i] (pages 75-77); Report on remuneration policy and compensation paid (pages 84-88) [i]		
CLIMATE CHANGE					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 195; page 290		
	103-2	The management approach and its components	pages 50-52; pages 196-199; page 290; Climate Change Action Plan [i]		
	103-3	Evaluation of the management approach	pages 50-52; page 202		
TRANSITION TO A SUSTAINABLE, GREEN AND CIRCULAR ECONOMY					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 180; page 290		
	103-2	The management approach and its components	pages 50-52; page 181; page 216; page 290		
	103-3	Evaluation of the management approach	pages 50-52; pages 180-181		
RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF THE GROUP'S PEOPLE					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 159; page 290		
	103-2	The management approach and its components	pages 50-52; page 160; page 217; page 290		
	103-3	Evaluation of the management approach	pages 50-52		
HEALTH, SAFETY AND WELL-BEING OF THE GROUP'S PEOPLE					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 169; page 290		
	103-2	The management approach and its components	pages 50-52; page 170; page 217; page 290		
	103-3	Evaluation of the management approach	pages 50-52		
EMPLOYMENT PROTECTION					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 156; page 290		
	103-2	The management approach and its components	pages 50-52; page 156; page 217; page 290		
	103-3	Evaluation of the management approach	pages 50-52		

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Non GRI Material Topics	Disclosure	Page number(s) and/or URL(s)	Omissions	Global Compact	SDGs(*)
QUALITY OF SERVICE AND CUSTOMER SATISFACTION					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 95; page 291		
	103-2	The management approach and its components	pages 50-52; page 95; page 291		
	103-3	Evaluation of the management approach	pages 50-52		
FINANCIAL INCLUSION AND SUPPORTING PRODUCTION					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 115; page 291		
	103-2	The management approach and its components	pages 50-52; page 117; page 291		
	103-3	Evaluation of the management approach	pages 50-52		
SUSTAINABLE INVESTMENTS AND INSURANCE					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 128; page 291		
	103-2	The management approach and its components	pages 50-52; page 129; page 291		
	103-3	Evaluation of the management approach	pages 50-52		
COMMUNITY SUPPORT					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 141; page 291		
	103-2	The management approach and its components	pages 50-52; page 143; page 214; page 291		
	103-3	Evaluation of the management approach	pages 50-52		
INTEGRITY IN CORPORATE CONDUCT					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 83; page 291		
	103-2	The management approach and its components	page 39; pages 50-52; pages 83-84; page 291		
	103-3	Evaluation of the management approach	pages 50-52		
INNOVATION, DIGITAL TRANSFORMATION AND CYBERSECURITY					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	page 105; page 291		
	103-2	The management approach and its components	pages 50-52; page 106; page 291		
	103-3	Evaluation of the management approach	pages 50-52		

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GRI Impact boundaries



GRI Impact boundaries

Material topics	GRI Aspects	Boundary: within	Boundary: outside
GROUP VALUE AND SOLIDITY			
<p>The value of assets, their solidity and risk management, including socio-environmental aspects.</p> <p>Strategic lines are defined by the Board of Directors and all the Departments ensure the management of the topic.</p>	<p>ECONOMIC PERFORMANCE</p> <p>MARKET PRESENCE</p> <p>INDIRECT ECONOMIC IMPACTS</p>	Intesa Sanpaolo Group	Shareholders, Customers, Suppliers, Environment, Community
CLIMATE CHANGE			
<p>The Group's commitment to protecting the rights of "Future Generations" in terms of protective measures against the risks of climate change and the direct and indirect impacts of its activities, particularly in terms of CO₂ emissions.</p> <p>Around 850 people are allocated for the strategic and operational management of the activities.</p>	<p>MATERIALS</p> <p>ENERGY</p> <p>WATER AND EFFLUENTS</p> <p>EMISSIONS</p> <p>WASTE</p>	Intesa Sanpaolo Group	Environment, Community
TRANSITION TO A SUSTAINABLE, GREEN AND CIRCULAR ECONOMY			
<p>To operate as a financial institution that supports production and consumption systems oriented to environmental sustainability, also in the risk evaluation.</p> <p>Around 30,200 people are allocated for the strategic and operational management of the activities.</p>	<p>ECONOMIC PERFORMANCE (201-2)</p> <p>ENERGY (302-5)</p> <p>PRODUCT RESPONSIBILITY: PRODUCT PORTFOLIO</p>	Business Units, Credit, Risk Management, Innovation, Compliance	Environment, Shareholders, Customers, Suppliers, Community
RETENTION, ENHANCEMENT, DIVERSITY AND INCLUSION OF THE GROUP'S PEOPLE			
<p>Recognizing the employee values by developing all their potentiality and enhancing their characteristics.</p> <p>Around 770 people are allocated for the strategic and operational management of the activities.</p>	<p>TRAINING AND EDUCATION</p> <p>DIVERSITY AND EQUAL OPPORTUNITY</p>	Intesa Sanpaolo Group	Customers, Community, Shareholders
HEALTH, SAFETY AND WELL-BEING OF THE GROUP'S PEOPLE			
<p>To promote work-life balance in workplace to protect and foster wellbeing for employees.</p> <p>More than 720 people are allocated for the strategic and operational management of the activities.</p>	<p>EMPLOYMENT (401-2; 401-3)</p> <p>OCCUPATIONAL HEALTH AND SAFETY</p>	Intesa Sanpaolo Group	Customers, Community, Shareholders
EMPLOYMENT PROTECTION			
<p>Responsible employment management and development of labor/management relations shaped towards shared solutions.</p> <p>Around 600 people are allocated for the strategic and operational management of the activities.</p>	<p>EMPLOYMENT (401-1)</p> <p>LABOR MANAGEMENT RELATIONS</p> <p>FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</p> <p>CHILD LABOR</p> <p>FORCED OR COMPULSORY LABOR</p>	Intesa Sanpaolo Group	Community, Shareholders

Material topics	GRI Aspects	Boundary: within	Boundary: outside
QUALITY OF SERVICE AND CUSTOMER SATISFACTION			
<p>Care, transparency, improvement and simplification of the customer relations through all relationship channels.</p> <p>More than 4,690 people are allocated for the strategic and operational management of the activities.</p>	<p>MARKETING AND LABELLING</p> <p>CUSTOMER HEALTH AND SAFETY</p>	<p>Business Units, Operations, Compliance, IT Department, Innovation, External Relations, Human Resources</p>	<p>Customers, Community</p>
FINANCIAL INCLUSION AND SUPPORTING PRODUCTION			
<p>Promoting solutions to facilitate access to financial and credit products for households and businesses by adopting criteria that also take into account social vulnerability situations and growth prospects in risk assessment.</p> <p>More than 30,500 people are allocated for the strategic and operational management of the activities.</p>	<p>PRODUCT RESPONSIBILITY:</p> <p>PRODUCT PORTFOLIO</p> <p>LOCAL COMMUNITY</p> <p>FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING</p> <p>CHILD LABOR</p> <p>FORCED OR COMPULSORY LABOR</p> <p>RIGHTS OF INDIGENOUS PEOPLES</p> <p>HUMAN RIGHT ASSESSMENT</p>	<p>Business Units, Credit, Risk Management, Compliance, Innovation</p>	<p>Customers, Shareholders, Community</p>
SUSTAINABLE INVESTMENTS AND INSURANCE			
<p>Offering investment and protection solutions characterized by ESG (environmental, social and governance) selection criteria for financial instrument issuers.</p> <p>More than 2,800 people are allocated for the strategic and operational management of the activities.</p>	<p>PRODUCT RESPONSIBILITY:</p> <p>PRODUCT PORTFOLIO</p> <p>PRODUCT RESPONSIBILITY:</p> <p>ACTIVE OWNERSHIP</p>	<p>Business Units, Asset Management, Insurance</p>	<p>Customers, Shareholders, Community</p>
COMMUNITY SUPPORT			
<p>The company as a promoter of relationships that influence the entire community and its well-being with its own cultural stimulus actions and its social dialogue skills.</p> <p>More than 160 people are allocated for the strategic and operational management of the activities.</p>	<p>ECONOMIC PERFORMANCE (201-1)</p>	<p>Intesa Sanpaolo Group</p>	<p>Community, Shareholders</p>
INTEGRITY IN CORPORATE CONDUCT			
<p>To act with transparency and responsibility in full compliance with international, national and corporate standards, rules and policies.</p> <p>Within the Group's governance structures, more than 1,900 people are allocated for strategic management and operational guidance of the activities.</p>	<p>ANTI-CORRUPTION</p> <p>PUBLIC POLICY</p> <p>ANTI-COMPETITIVE BEHAVIOR</p> <p>TAX</p> <p>ENVIRONMENTAL COMPLIANCE</p> <p>NON DISCRIMINATION</p> <p>CUSTOMER PRIVACY</p> <p>SOCIOECONOMIC COMPLIANCE</p> <p>PRODUCT RESPONSIBILITY: AUDIT</p>	<p>Intesa Sanpaolo Group</p>	<p>Shareholders, Customers, Suppliers, Environment, Community</p>
INNOVATION, DIGITAL TRANSFORMATION AND CYBERSECURITY			
<p>The Group's commitment to establish itself as a digital company through an evolved multichannel platform aimed at guarantee an innovative, safe and effective offer.</p> <p>Around 10,000 people are allocated for the strategic and operational management of the activities.</p>	<p>CUSTOMER PRIVACY</p> <p>CUSTOMER HEALTH AND SAFETY</p>	<p>Business Units, Operations, Compliance, IT Department, Innovation</p>	<p>Customers, Suppliers, Community</p>

SASB indicators index



SASB indicators index*

Intesa Sanpaolo integrates the reporting with the sectoral indicators required by the Sustainability Accounting Standards Board (SASB) and the table below includes the information relating to the indicators deemed applicable, with reference to the main sectors in which it operates: Asset Management & Custody Activities, Commercial Banks, Investment Banking & Brokerage and Consumer Finance.

Topic	Code	References
SETTORE - ASSET MANAGEMENT & CUSTODY ACTIVITIES		
Transparent Information & Fair Advice for Customers	FN-AC270a.2	pages 101-103; pages 112-113; Relationship with customers [i]
	FN-AC270a.3	pages 50-52; pages 101-102
Employee Diversity & Inclusion	FN-AC330a.1	page 219; pages 236-243
	FN-AC410a.1	pages 231-232
Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory	FN-AC410a.2	pages 53-55; pages 57-66; pages 73-75; pages 206-207; page 230; page 274; Report on Corporate Governance and Ownership Structures (pages 69-71) [i] ; Climate Change [i]
	FN-AC410a.3	page 50; pages 128-139; page 161; page 274
	FN-AC510a.1	In 2021, no lawsuits were filed nor sanctions imposed against the Intesa Sanpaolo Group in the area of competition. Financial Reports (Annual Report 2021 "Notes to the consolidated financial statements Part E -Information on risks and relative hedging policies - Tax litigation" pages 560-564) [i]
Business Ethics	FN-AC510a.2	page 38; pages 50-51; pages 84-86; page 90; pages 92-93; page 274; Code of Ethics (pages 22-23) [i]
	FN-AC550a.1	Financial Reports (Annual Report 2021 "Notes to the consolidated financial statements Part E -Information on risks and relative hedging policies - 1.4 Liquidity risk" pages 530-532) [i]
Systemic Risk Management	FN-AC550a.2	pages 81-82; Financial Reports (Annual Report 2021 "Notes to the consolidated financial statements Part E -Information on risks and relative hedging policies - 1.4 Liquidity risk" pages 530-532) [i]
	FN-AC550a.3	Financial Reports (Annual Report 2021 "Overview of 2021 - Main risks and uncertainties" page 69) [i]
	FN-AC550a.4	Financial Reports (Annual Report 2021 "Notes to the consolidated financial statements Part E -Information on risks and relative hedging policies - 1.3.3. Other information on derivative instruments (trading and hedging)" page 529) [i]
Activity Metrics	FN-AC-000.A	Financial Reports (Annual Report 2021 "Notes to the consolidated financial statements Part B - Information on the consolidated balance sheet -Asset management and administration portfolio" pages 334-335) [i]
	FN-AC-000.B	Financial Reports (Annual Report 2021 "Report on operations – Balance sheet aggregates - Indirect customer deposits" page 119) [i]
SECTOR - COMMERCIAL BANKS		
Data Security	FN-CB230a.1	pages 90-91
	FN-CB230a.2	page 50; pages 90-91; page 274
Financial Inclusion & Capacity Building	FN-CB240a.1	pages 73-75; page 50; pages 57-59; page 117; page 231; page 274
	FN-CB240a.2	pages 117-118
	FN-CB240a.3	pages 117-121 Approximately 46,000 current accounts were opened for customers with no access or limited access to banking in the reporting period.
	FN-CB240a.4	pages 122-123
Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	FN-CB410a.1	Financial Reports (Annual Report 2021 "Notes to the consolidated financial statements Part B – Information on the consolidated balance sheet - Credit risk exposure" page 303) [i] Financial Reports (Third pillar of Basel 3 2021 "Section 6, 7, 8 e 9" pages 91-158) [i]
	FN-CB410a.2	pages 53-55; pages 57-66; pages 73-75; pages 206-207; page 230; page 274; Report on Corporate Governance and Ownership Structures (pages 69-71) [i] ; Climate Change [i]

* The indicators linked to the GRI Standards are not subject to limited review.

Topic	Code	References
Business Ethics	FN-CB510a.1	In 2021, no lawsuits were filed nor sanctions imposed against the Intesa Sanpaolo Group in the area of competition. Financial Reports (Annual Report 2021 "Notes to the consolidated financial statements Part E - Information on risks and relative hedging policies - Tax litigation" pages 560-564) [i]
	FN-CB510a.2	page 38; pages 50-52; pages 84-86; page 90; pages 92-93; page 274; Code of Ethics (pages 22-23) [i]
Systemic Risk Management	FN-CB550a.1	The G-SIB (Global Systemically Important Bank) scores reported were calculated internally by the Intesa Sanpaolo Group and therefore do not reflect any adjustments related to supervisory judgment; the calculation date is 31.12.2020 (latest data available): (G-SIB): Overall score: 80 basis points (G-SIB): Size score: 105 basis points (G-SIB): Interconnectedness: 127 basis points (G-SIB): Substitutability score: 39 basis points (G-SIB): Complexity score: 46 basis points (G-SIB): Cross-jurisdictional activity score: 85 basis points [i]
	FN-CB550a.2	Financial Reports (Annual Report 2021 "Notes to the consolidated financial statements Part E - Information on risks and relative hedging policies - Stress Tests" pages 411-412) [i] Financial Reports (Third pillar of Basel 3 2021 "Section 1 - General requirements" pages 15-42) [i]
Activity Metrics	FN-CB-000.A	Financial Reports (Annual Report 2021 "Reports on operations – Breakdown of consolidated results by business area and geographical area" pages 129-164) [i]
	FN-CB-000.B	Financial Reports (Annual Report 2021 "Reports on operations – Breakdown of consolidated results by business area and geographical area" pages 129-164) [i]
SECTOR - INVESTMENT BANKING & BROKERAGE		
Employee Diversity & Inclusion	FN-IB330a.1	page 219; pages 236-243
Incorporation of Environmental, Social, and Governance Factors in Investment Banking & Brokerage Activities	FN-IB410a.1	In the reporting period, revenues from ESG operations amounted to over 38 million euro
	FN-IB410a.2	pages 231-232
	FN-IB410a.3	pages 53-55; pages 57-66; pages 73-75; pages 206-207; page 230; page 274; Report on Corporate Governance and Ownership Structures (pages 69-71) [i] ; Climate Change [i]
Business Ethics	FN-IB510a.1	In 2021, no lawsuits were filed nor sanctions imposed against the Intesa Sanpaolo Group in the area of competition. Financial Reports (Annual Report 2021 "Notes to the consolidated financial statements Part E - Information on risks and relative hedging policies - Tax litigation" pages 560-564) [i]
	FN-IB510a.2	Code of Ethics (pages 22-23) [i]
Professional Integrity	FN-IB510b.2	During 2021, the Intesa Sanpaolo Group was not involved in significant mediation and arbitration cases on the subject of professional integrity; pages 83-93
	FN-IB510b.3	During 2021, the Intesa Sanpaolo Group was not the recipient of significant sanctions in relation to professional integrity; pages 83-93
	FN-IB510b.4	page 38; pages 50; pages 83-84; page 274
Systemic Risk Management	FN-IB550a.1	The G-SIB (Global Systemically Important Bank) scores reported were calculated internally by the Intesa Sanpaolo Group and therefore do not reflect any adjustments related to supervisory judgment; the calculation date is 31.12.2020 (latest data available): (G-SIB): Overall score: 80 basis points (G-SIB): Size score: 105 basis points (G-SIB): Interconnectedness: 127 basis points (G-SIB): Substitutability score: 39 basis points (G-SIB): Complexity score: 46 basis points (G-SIB): Cross-jurisdictional activity score: 85 basis points [i]
	FN-IB550a.2	Financial Reports (Annual Report 2021 "Notes to the consolidated financial statements Part E - Information on risks and relative hedging policies - Stress Tests" page 503) [i] Financial Reports (Third pillar of Basel 3 2021 "Section 1 - General requirements" pages 15-42) [i]

Topic	Code	References
Employee Incentives & Risk Taking	FN-IB550b.1	Financial Reports (Annual Report 2021 "Notes to the consolidated financial statements Part I – Share-based payments - B. QUANTITATIVE INFORMATION" pages 599-600) [i]
	FN-IB550b.2	Financial Reports (Annual Report 2021 "Notes to the consolidated financial statements Part I – Share-based payments - B. QUANTITATIVE INFORMATION" pages 599-600) [i]
	FN-IB550b.3	Financial Reports (Annual Report 2021 "Notes to the consolidated financial statements Part A - Accounting policies - QUANTITATIVE INFORMATION - A.4.5. Fair value hierarchy" pages 284-287) [i]
Activity Metric	FN-IB-000.A	In the reporting period the amount of commissions relating to Investment Banking transactions amounted to 144,462 million euro, corresponding to 306 customers.
	FN-IB-000.B	In the reporting period, the amount of own investments stood at 299,740 million euro, considering non Hold to Collect own loans and Hold to Collect investments (excluding loans to retail customers).
	FN-IB-000.C	The market making activity (Sales and Trading) on all asset classes and the liquidity provider activity of Brokerage of the IMI CIB Division met customer requests, with over 230,000 transactions, amounting to over 200 billion euro.
SETTORE - CONSUMER FINANCE		
Customer Privacy	FN-CF-220a.2	During 2021 the Intesa Sanpaolo Group was not the recipient of significant sanctions in relation to privacy protection; pages 90-91; page 93
Data Security	FN-CF-230a.1	pages 90-91
	FN-CF-230a.3	page 50; pages 90-91; page 274
Selling Practices	FN-CF-270a.1	pages 162-163
	FN-CF-270a.4	During the reporting period, the Intesa Sanpaolo Group was not the recipient of proceedings and notices from the Consumer Financial Protection Bureau (CFPB).
	FN-CF-270a.5	During 2021 the Intesa Sanpaolo Group received 3 significant sanctions, amounting to approximately 12 million euro, relating to the sale of financial instruments; page 93

WEF Stakeholder Capitalism metrics index



WEF Stakeholder Capitalism metrics index*

In the table below Intesa Sanpaolo includes - for the required 4 pillars - the information relating to the 21 “core” indicators indicate in the report “Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation”, published by the International Business Council (IBC) of World Economic Forum (WEF), which Intesa Sanpaolo joined in September 2021.

Topic	“Core” metrics	References
PRINCIPLES OF GOVERNANCE		
Governing purpose	Setting purpose	page 29; pages 47-49; pages 77-79
Quality of governing body	Governance body composition	pages 41-43; page 47; page 219; Report on Corporate Governance and Ownership Structures (page 41; pages 93-94) [i]
Stakeholder engagement	Material issues impacting stakeholders	pages 47-49; pages 68-75; pages 290-291; Report on Corporate Governance and Ownership Structures (page 25; page 88) [i]
Ethical behavior	Anti-corruption	pages 42-43; pages 84-86; pages 210-211; pages 221-223 In compliance with the Implementing Regulations of the Group’s anti-corruption guidelines, for all third parties with which Intesa Sanpaolo entertains relationships, the contract governing the [same] relationship must contain a declaration whereby the third party undertakes to comply with the applicable anti-corruption regulations and the principles set forth in the Guidelines and/ or in the Regulations. In this way, the disclosure of anti-corruption policies and procedures to all business partners is ensured.
	Protected ethics advice and reporting mechanisms	pages 50-52; page 93; Code of Ethics (pages 22-23) [i]
Risk and opportunity oversight	Integrating risk and opportunity into business process	pages 53-54; pages 60-62; pages 74-75; page 77; pages 213-217
PLANET		
Climate change	Greenhouse gas (GHG) emissions	page 195; pages 199-200; page 259; Emission Factors [i]
	TCFD implementation	pag. 300; TCFD Report [i]
Nature loss	Land use and ecological sensitivity	The Group’s offices are not located in protected areas or areas with high biodiversity. The business conducted by the Group does not generate significant impacts on biodiversity.
Freshwater availability	Water consumption and withdrawal in water-stressed areas	page 203; page 262; The activities carried out by the Group do not involve significant water consumption, therefore there are no significant impacts in this area.
PEOPLE		
Dignity and equality	Diversity and inclusion (%)	pages 237-243
	Pay equality (%)	pages 244-245
	Wage level (%)	page 245
	Risk for incidents of child, forced or compulsory labour	pages 57-58; pages 65-66; Part of the information does not apply. The issue of relations with suppliers is not considered material for the Group since the information for the financial sector is relevant with reference to employees and credit management: the information relating to suppliers therefore does not refer to the Group’s significant impacts.
Health and well-being	Health and safety (%)	pages 170-176; pages 256-257; Part of the information is not available: the data and information relating to injuries of non-employee workers are not monitored as the Italian regulations currently in force do not provide for the obligation to collect the aforementioned data type. The feasibility and above all the significance of implementing a specially designed collection and monitoring system and making said information available as from 2025 will be assessed.
Skills for the future	Training provided (n./importo in Euro)	pages 247-249
PROSPERITY		
Employment and wealth generation	Absolute number and rate of employment	pages 242-243
	Economic contribution	pages 79-82; page 143; page 207; page 226; page 248

* The indicators linked to the GRI Standards are not subject to limited review.

Topic	“Core” metrics	References
Employment and wealth generation	Financial investment contribution	The CapEx investments of the Intesa Sanpaolo Group amounted to 1,892 million euro (1,592 million euro of net impairment losses) and in particular refer to Digital world as an enabling factor of the Plan and to the development of the Networks. The digital initiatives, in particular, enabled the Group’s transformation process into a digital company, provided support to the business through the use of new technologies and innovative products, enabled the revision of the IT platform, including in terms of Cybersecurity and Antifraud Management to deal with the continuous increase in cyber risks thus ensuring adequate protection for our customers and the bank, and made it possible to reduce operating costs and increase digital resilience, for example through the evolution of the role of operations and system modernisation. As part of the de-risking initiatives, the Group stipulated important strategic partnerships based on cutting-edge credit recovery platforms and made investments to strengthen credit portfolio management. Finally, significant investments were made to increase the level of digital readiness of all stakeholders and to support the initiatives to improve social and climate impact and the continued commitment to culture, also guaranteeing a credit framework consistent with the regulation in the climate and ESG area.
Innovation of better products and services	Total R&D expenses (amount in Euro)	pages 105-111; pages 180-188; 2022-2025 Business Plan (pages 70-72) [1] ; R&D investments are not a representative indicator for the financial sector and to measure the Group’s commitment in the definition and provision of new products for its customers. For the Group, investments in support of innovation and digitalisation play a significant role: the digital initiatives, in particular, have enabled the Group’s transformation process into a digital company. Furthermore, in line with the 2022-2025 Business Plan, the Group has defined a strategy for the development of investment, advisory and insurance products in the ESG area.
Community and social vitality	Total tax paid	Total taxes payable by the Group (with reference solely to its own taxes, i.e. paid by the Entity as a taxpayer) recorded in 2021 amount to approximately 3,810 million euro, mainly relating to social security taxes and contributions (approximately 1,360 million euro), current taxes on income (approximately 880 million euro), non-deductible VAT (around 780 million euro) and other taxes (in particular approximately 524 million euro of bank levies net of the tax effect).

Methodology



Methodology

The 2021 Consolidated Non-financial Statement - hereinafter also Statement - was drafted in accordance with Article 4 of Italian Legislative Decree no. 254/2016, the Comprehensive option of the GRI Standards defined by the GRI (Global Reporting Initiative) and the “Financial Services Sector Supplements”. Consideration was also given to the recommendations issued in June 2017 by the Task Force on Climate-related Financial Disclosures (TCFD), adopted by Intesa Sanpaolo in October 2018, for the voluntary dissemination of transparent reporting on the risks and opportunities linked to climate change. To this end, Intesa Sanpaolo published its first TCFD Report at Group level for 2020-2021, to which reference is made for any further information [i]. In addition, where deemed applicable, the indicators envisaged by the Sustainability Accounting Standards Board (SASB) were included; in consideration of Intesa Sanpaolo’s commitment to adopting and implementing the Stakeholder Capitalism Metrics developed by the World Economic Forum (WEF), the indicators defined by the WEF were reported, where applicable and relevant for the Group. For the third year, the progress achieved by the Bank with respect to the Principles for Responsible Banking (PRB), to which Intesa Sanpaolo has adhered, was described. Furthermore, the Statement contains useful information for disclosure purposes in accordance with Article 8 of the Delegated Act of the EU Taxonomy Regulation (EU Reg. 852/2020) (see Indicators section, page 264).

MATERIALITY AND REPORTING PRINCIPLES

As required by Legislative Decree 254/2016, content was identified and chosen for this Statement in such a way as to clearly communicate the activities of the Group, its progress, its results and the impact of its activities, also in consideration of the GRI Standards principles of materiality, stakeholder inclusiveness, sustainability context and completeness. The materiality analysis (see page 68), conducted in compliance with the GRI Standards, made it possible to assess the topics based on their relevance in terms of their potential impact on both the Bank’s activities and stakeholders. The GRI Standards principles were also applied to define the quality of information (balance/neutrality, comparability, accuracy, timeliness, clarity and reliability) and the reporting boundary. Further details on the information provided in the Consolidated Non-financial Statement are published in the Sustainability section of the website [i].

Links to this additional information are included within the Statement, in the descriptions and in the GRI Content Index. Furthermore, in order to explain the indicators covered by this Statement, an Index of SASB indicators, already present last year, and an Index of WEF Stakeholder Capitalism metrics, which Intesa Sanpaolo undertook to adopt and implement in September 2021, are included.

The 2021 Consolidated Non-financial Statement was subject to a limited audit by EY S.p.A. The report concerning the compliance of the information supplied with Legislative Decree no. 254/2016 and the GRI Standards that were chosen as the accounting standards, and which describes the steps involved and their related conclusions can be found on page 303.

THE REPORTING PROCESS

All corporate structures contribute to the drafting of the contents of the 2021 Consolidated Non-Financial Statement and to dialogue with Stakeholders through the Sustainability Managers, identified for each Division/Governance Area, as well as contact persons identified in the various Group structures. Data collection is centralised on the same reporting platform used for monitoring the economic, financial and commercial performances of the Business Units. The Statement’s reporting process was formalised with specific Guidelines and the related Process Guide, which establish the process, activities and roles and responsibilities of the Group structures and bodies involved in the drafting, approval and publication of the document.

MEASUREMENT SYSTEMS

The indicators illustrated in the 2021 Consolidated Non-financial Statement were identified on the basis of the indications of the reference standards (GRI Standards), obligations deriving from Intesa Sanpaolo’s adoption of international sustainability protocols and standards, and our commitment to ensuring that the process of achieving our strategic ESG and climate strategic objectives is measurable. With the exception of certain estimates which are duly indicated, almost all of the data was acquired through accurate measurements. To ensure the accurate collection and consistent interpretation of the identified indicators, the data measurement systems are supported by a technical manual which establishes the relevance, calculation method and data source of quantitative indicators.

The data presented refer to the 2021 financial year and, where possible, are compared to the previous two years. Unless otherwise specified, re-statements concerning data published in previous years were not carried out.

REPORTING PERIOD AND BOUNDARY

The Statement is published on an annual basis, with the previous edition published in March 2021. Furthermore, this year as well, in September 2021, Intesa Sanpaolo decided to voluntarily publish a half-yearly Consolidated Non-financial Statement with the most relevant indicators.

The reporting boundary of the Intesa Sanpaolo 2021 Consolidated Non-financial Statement covers over 99% of the scope of the 2021 Consolidated Financial Statements as regards number of employees (net of employees with non-standard contracts), and therefore makes it possible to understand the activities of the Group, its progress, results and impacts, since all the companies representing the material issues, identified by the reference regulations and from discussions with stakeholders, were subject to reporting. The non-financial data of the companies whose operations differ significantly from the Group's core business, the companies with a small number of employees (which are therefore considered negligible in terms of impact), the companies for which the data and information are not available, the companies over which the Parent Company Intesa Sanpaolo does not exercise management and coordination activities, remain excluded.

In order to ensure comparability, as well as continuity with the previous reporting, this Statement presents both the data relating to the 2019-2020 trend of the Intesa Sanpaolo Group alone (excluding UBI Banca) and the 2020 data which include UBI Banca: in particular, the flow data relating to UBI Banca are included with reference to the last 5 months of 2020, i.e. from the date of acquisition, while all other data are as at 31.12.2020. It was decided not to include the data referring to the indicators consisting of rates, per capita values and percentages, in which the flow data relating to UBI Banca's 5 months are compared to data as at 31.12.2020, since they are not significant/representative of the performance.

As regards 2021, the data are presented with reference to the new scope of the Intesa Sanpaolo Group which includes UBI Banca for the entire year.

This edition of the Consolidated Non-financial Statement is also available on the website [\[i\]](#).

The Consolidated Non-financial Statement was prepared in accordance with current regulations and with particular reference to the areas outlined in Italian Legislative Decree no. 254/2016 in the social and environmental spheres that are applicable to the Group.

Auditors' report





Intesa Sanpaolo S.p.A.

Independent auditor's report on the Consolidated Non-Financial Statement pursuant to article 3, paragraph 10, of Legislative Decree no. 254/2016 and article 5 of CONSOB Regulation adopted with Resolution no. 20267/2018



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Independent auditor's report on the Consolidated Non-Financial Statement pursuant to article 3, paragraph 10, of Legislative Decree no. 254/2016 and article 5 of CONSOB Regulation adopted with Resolution no. 20267/2018

To the Board of Directors of
Intesa Sanpaolo S.p.A.

We have been appointed to perform a limited assurance engagement pursuant to article 3, paragraph 10, of Legislative Decree no. 254/2016 (hereinafter the "Decree") and article 5 of CONSOB Regulation adopted with Resolution no. 20267/2018, on the consolidated disclosure of non-financial information of Intesa Sanpaolo Group (hereinafter the "Group") for the year ended 31 December 2021 in accordance with article 4 of the Decree approved by the Board of Directors of Intesa Sanpaolo S.p.A. (hereinafter the "Bank") on 15 March 2022 (hereinafter the "Consolidated Non-Financial Statement").

Our limited assurance engagement does not cover the information included in the paragraph "EU Taxonomy (Regulation (EU) no. 852/2020): regulatory requirements" of the Consolidated Non-Financial Statement, that are required by article 8 of the European Regulation no. 852/2020.

Responsibilities of Directors and of the Management Control Committee for the Consolidated Non-Financial Statement

The Directors are responsible for the preparation of the Consolidated Non-Financial Statement in accordance with the requirements of articles 3 and 4 of the Decree and the "*Global Reporting Initiative Sustainability Reporting Standard*" defined by GRI - Global Reporting Initiative (hereby "*GRI Standards*") identified by them as a *reporting standard*.

The Directors are also responsible, within the terms provided by law, for that part of internal control that they consider necessary in order to allow the preparation of the Consolidated Non-Financial Statement that is free from material misstatements caused by fraud or not intentional behaviors or events.

The Directors are also responsible for identifying the contents of the Consolidated Non-Financial Statement within the matters mentioned in article 3, paragraph 1, of the Decree, considering the business and the characteristics of the Group and to the extent deemed necessary to ensure the understanding of the Group's business, its performance, its results and its impact.

The Directors are also responsible for defining the Group's management and organization business model, as well as with reference to the matters identified and reported in the Consolidated Non-Financial Statement, for the policies applied by the Group and for identifying and managing the risks generated or incurred by the Group.

The Management Control Committee is responsible, within the terms provided by the law, for overseeing the compliance with the requirements of the Decree.

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Auditor's independence and quality control

We are independent in accordance with the ethics and independence principles of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior. Our audit firm applies the International Standard on Quality Control 1 (ISQC Italia 1) and, as a result, maintains a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

Auditor's responsibility

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the Consolidated Non-Financial Statement with the requirements of the Decree and of the GRI Standards. Our work has been performed in accordance with the principle of "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This principle requires the planning and execution of work in order to obtain a limited assurance that the Consolidated Non-Financial Statement is free from material misstatements. Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the ISAE 3000 Revised ("reasonable assurance engagement") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

The procedures performed on the Consolidated Non-Financial Statement were based on our professional judgment and included inquiries, primarily with the Bank's personnel responsible for the preparation of the information included in the Consolidated Non-Financial Statement, documents analysis, recalculations and other procedures in order to obtain evidence considered appropriate.

In particular, we have performed the following procedures:

1. analysis of the relevant topics in relation to the activities and characteristics of the Group reported in the Consolidated Non-Financial Statement, in order to assess the reasonableness of the selection process applied in accordance with the provisions of article 3 of the Decree and considering the reporting standard applied;
2. analysis and evaluation of the criteria for identifying the consolidation area, in order to evaluate its compliance with the provisions of the Decree;
3. comparison of the economic and financial data and information included in the Consolidated Non-Financial Statement with those included in the Group consolidated financial statements;
4. understanding of the following aspects:
 - ▶ Group's management and organization business model, with reference to the management of the topics indicated in article 3 of the Decree;
 - ▶ policies adopted by the Bank related to the matters indicated in article 3 of the Decree, results achieved and related key performance indicators;
 - ▶ main risks, generated or suffered related to the matters indicated in the article 3 of the Decree.



With regard to these aspects, we obtained the documentation supporting the information contained in the Consolidated Non-Financial Statement and performed the procedures described in item 5, letter a) below;

5. understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the Consolidated Non-Financial Statement.

In particular, we have conducted interviews and discussions with management of the Bank, with the personnel of Fideuram - Intesa Sanpaolo Private Banking S.p.A. and Eurizon Capital SGR S.p.A., as well as with management of IMI Corporate & Investment Banking Division and of International Subsidiary Banks Division and we have performed limited documentary evidence procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and transmission of non-financial data and information to the management responsible for the preparation of the Consolidated Non-Financial Statement.

Furthermore, for significant information, considering the Group activities and characteristics:

- ▶ **at the level of the Bank and subsidiaries:**
 - a) with reference to the qualitative information included in the Consolidated Non-Financial Statement, and in particular to the business model, policies implemented and main risks, we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
 - b) with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data;
- ▶ **for the Bank and the subsidiaries Fideuram - Intesa Sanpaolo Private Banking S.p.A and Eurizon Capital SGR S.p.A., which we have selected based on their activity, relevance to the consolidated performance indicators and location, we have carried out examinations during which we have had discussions with management and have obtained evidence about the appropriate application of the procedures and the calculation methods used to determine the indicators.**

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Consolidated Non-Financial Statement of the Intesa Sanpaolo Group for the year ended 31 December 2021 has not been prepared, in all material aspects, in accordance with the requirements of articles 3 and 4 of the Decree and the GRI Standards.

Our conclusions on the Consolidated Non-Financial Statement of the Intesa Sanpaolo Group do not refer to the information included in the paragraph "EU Taxonomy (Regulation (EU) no. 852/2020): regulatory requirements" of the Consolidated Non-Financial Statement itself, that are required by article 8 of the European Regulation no. 852/2020.

Milan, 22 March 2022

EY S.p.A.
Signed by: Guido Celona, Auditor

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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Intesa Sanpaolo Spa

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GALLERIE D'ITALIA. FOUR MUSEUMS, A NATIONWIDE CULTURAL NETWORK.

Gallerie d'Italia enables Intesa Sanpaolo to share its artistic and architectural heritage with the general public: the art collections of the Bank, ranging from archaeological artefacts to contemporary works of art, are housed in historic buildings located in four cities, in a unique network of museums.

Gallerie d'Italia - Piazza Scala in Milan hosts, in a highly prestigious architectural setting, a selection of two hundred masterpieces of the nineteenth century in Lombardy, that are part of art collections of Fondazione Cariplo and Intesa Sanpaolo, and an exhibition dedicated to twentieth century Italian art.

Gallerie d'Italia - Palazzo Leoni Montanari, Vicenza is home to art of the region Veneto from the 1700s as well as pottery from Attica and Magna Graecia. It also holds one of the most important collections of Russian icons in the West.

Gallerie d'Italia - Palazzo Zevallos Stigliano, Naples hosts the Martyrdom of Saint Ursula, the last known painting by Caravaggio, alongside more than 120 examples of Neapolitan art dating from the early 17th to the early 20th century. New premises within the majestic building which was formerly the Bank of Naples in Via Toledo mean that the museum space is tripled in size, increasing exhibition opportunities.

There is also the newly-open fourth location of **Gallerie d'Italia in Piazza San Carlo in Turin**, a site which is mainly dedicated to photography and the digital world.

Cover photo:



Gaspar van Wittel (also known as Gaspare Vanvitelli, or Gaspare degli Occhiali)
(Amersfoort, 1652 - Rome, 1736)
A View of the Piazza Navona in Rome, 1688-1721
oil on canvas, 62.5 x 125.5 cm
Intesa Sanpaolo Collection
Gallerie d'Italia -
Palazzo Zevallos Stigliano, Naples

A View of the Piazza Navona in Rome is a work by Gaspar van Wittel. A Dutch painter who relocated to Italy, he is considered the forerunner of modern vedutism, as a result of the almost topographic precision of the scene.

The painting belongs to a series of nine landscapes that van Wittel dedicated to Piazza Navona between 1688 and 1721, the largest square in Rome after St. Peter's Square, and undoubtedly the most picturesque thanks to its market and countless related activities. The piazza, a "grand example of theatrical Baroque" was blessed in the mid-seventeenth century with an architectural renovation that gave it a reputation as one of the most beautiful squares in Rome, famous for the magnificence of its buildings and fountains. The view is from the first floor of Palazzo Lancelotti; on the left, the light highlights a series of buildings including the Church of Sant'Agnese in Agone which was rebuilt under the guidance of Francesco Borromini. On the right, in the shadows and strongly shortened, it is possible to see the sixteenth century façade of San Giacomo degli Spagnoli; the roof terrace of Palazzo Altemps stands out against the background, while in the centre there is the *Fontana dei Fiumi* by Gian Lorenzo Bernini and the sixteenth-century fountains known as *del Moro* and *dei Calderari*.

The painting excels for its splendid colours and the clarity of its lines and volumes. The sky is intensely bright with a hue of light blue that is characteristic of the Dutch artist's best works.

The work is part of the art collections on permanent display in Gallerie d'Italia of Intesa Sanpaolo in Naples. The collection traces the most important moments of art in Naples and Campania from the early seventeenth century up to the first decades of the twentieth century, from Caravaggio and the naturalist turning point which took place with the artist's arrival in the city in 1606, right up to the works by Vincenzo Gemito, through the pomp and splendour of the Spanish viceroyalty and the Bourbon era.

