1H23 Results

The best six months ever with €4.2bn Net income

A leading bank with a fintech approach: significant tech investments already deployed to continue to succeed in the future

A strong bank for a sustainable world

July 28, 2023

INTESA SANPAOLO

ISP delivered the best six months ever, while making significant tech investments to continue to succeed in the future

€4.2bn Net income in H1 (+80% vs 1H22[1]), the best six months since 2007 (€4.4bn when excluding the final Resolution Fund contribution)

€2.3bn Net income in Q2 (+74% vs 2Q22[1]), the best quarter since 2007

Best six months ever for Operating income (+15% vs 1H22[1]), Operating margin (+29% vs 1H22[1]) and Gross income (+61% vs 1H22[1])

Q2 the best quarter ever for Operating income, Operating margin and Gross income

The lowest-ever half-yearly Cost/Income ratio (42.0%) with Operating costs essentially stable (+0.9% vs 1H22[1])

Zero-NPL Bank with NPL inflow at historical low, driving lowest-ever Cost of risk (25bps annualised)

Lowest-ever net NPL stock and ratio (net NPL ratio at 1.0%[2])

Fully phased-in Common Equity ratio at 13.7% (14.0% excluding 30bps Q2 impact from calendar provisioning voluntary deduction)

€3bn dividends already accrued in H1, of which a minimum of €2.45bn to be paid in November as an interim dividend[3]

Strong liquidity position with a very diversified and sticky deposit base

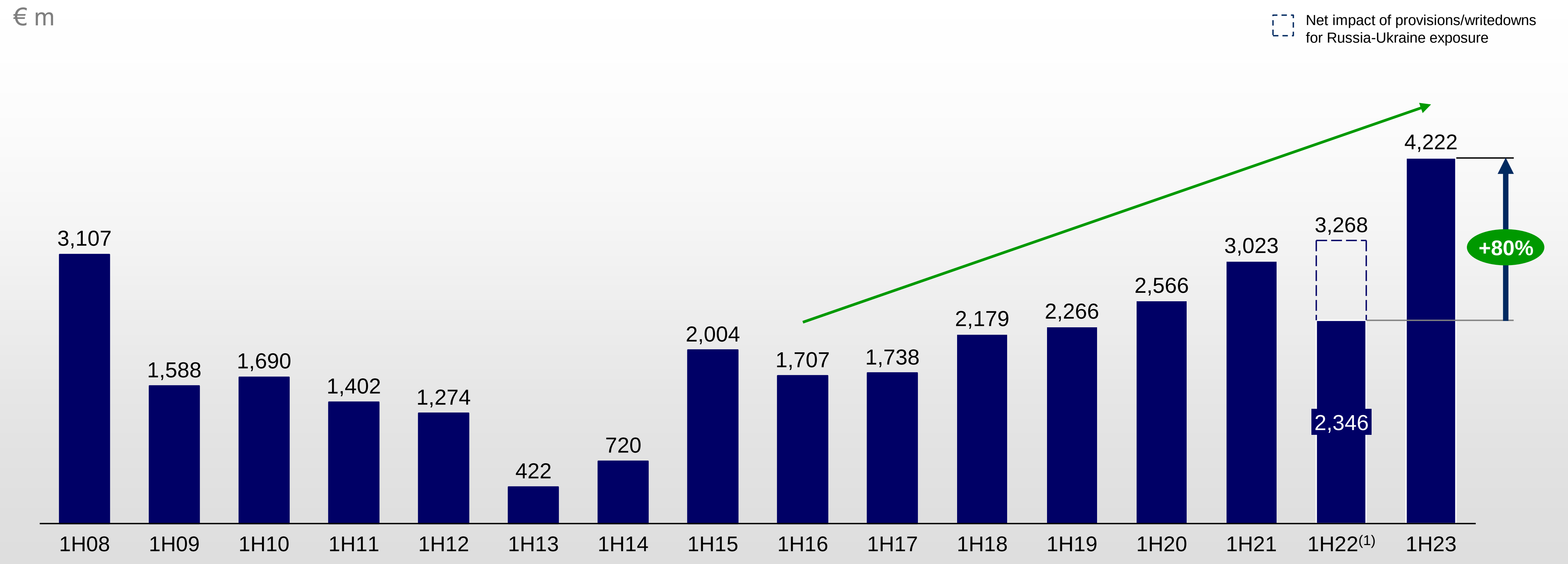
Successfully launched isybank, our digital bank based on new Group tech infrastructure (isytech)

2023 Net income guidance raised to well above €7bn

(1) Restated for the adoption of IFRS 17 and IFRS 9 by the Group's insurance companies
(2) According to EBA definition
(3) Relevant resolution from the Board of Directors to be defined on 3.11.23 when approving results as at 30.9.23

The best six-month Net income since 2007…

Net income

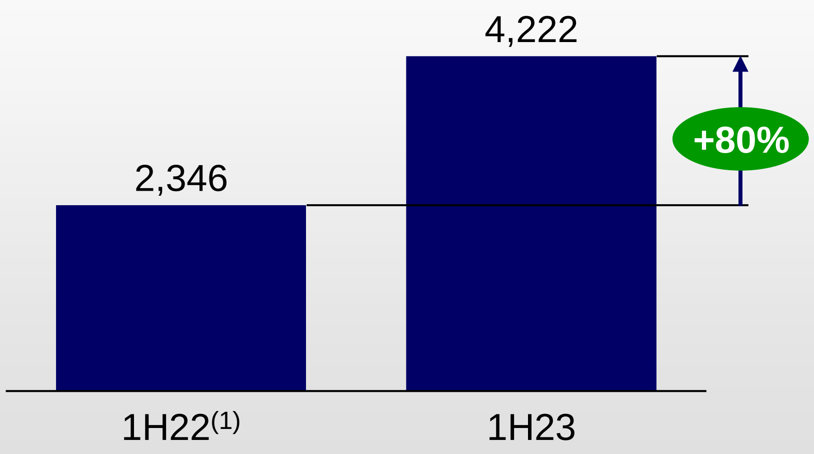


(1) Restated for the adoption of IFRS 17 and IFRS 9 by the Group's insurance companies

… driving improved Net income guidance for 2023

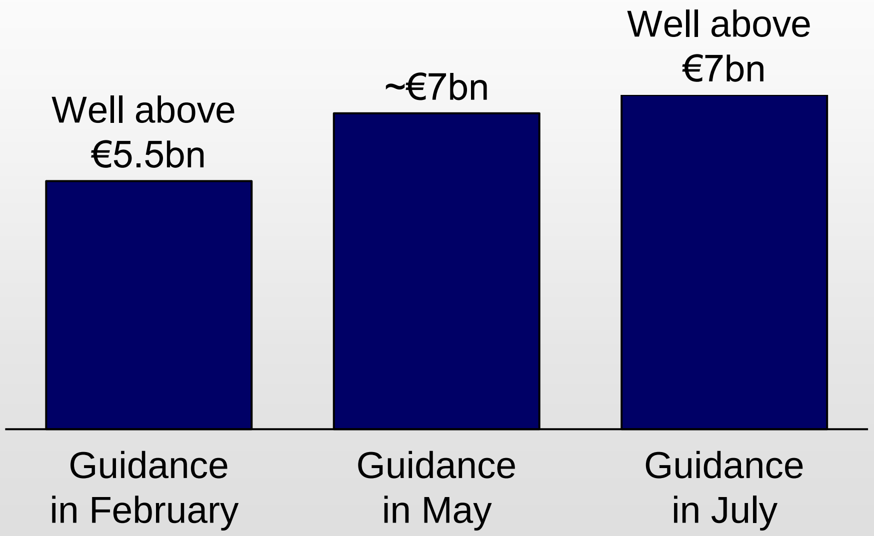
The best six months ever…

Net income, € m



… driving improved Net income guidance for 2023

2023 Net income guidance



(1) Restated for the adoption of IFRS 17 and IFRS 9 by the Group's insurance companies

Execution of the 2022-2025 Business Plan proceeding at full speed…

Our People are our most important asset

Massive upfront de-risking, slashing Cost of risk

~1% net NPL ratio(1)

~40bps Cost of risk(1)

Structural Cost reduction, enabled by technology

€2bn Cost savings

€5bn investments in technology and growth

Growth in Commissions, driven by Wealth Management, Protection & Advisory

~€100bn growth in AuM

~57% of Revenues from fee-based business(2)

Significant ESG commitment, with a world-class position in Social Impact and strong focus on climate

~€25bn in social lending/contribution to society

~€90bn in new loans to support the green transition

100% of initiatives launched, of which >80% progressing ahead of schedule

(1) Throughout the entire Business Plan horizon
(2) Commissions and Insurance income

… with 2024-2025 Net income to exceed 2023 Net income

Increase in 2024-2025 profitability vs 2023

Revenue increase	▪ Further Net interest income growth ▪ Recovery in Commissions (well-diversified business model) ▪ Insurance income increase driven by P&C ▪ Rebound in Profits from trading
Cost reduction(1)	▪ Additional benefits from technology (e.g., accelerated/increased branch rationalisation, IT/processes streamlining) ▪ Already agreed voluntary exits ▪ Easing inflation
Low Cost of risk	▪ Low NPL stock ▪ Overlays ▪ Voluntary deduction of the calendar provisioning impact from CET1 in Q2(2)
Lower Levies and other charges concerning the banking industry	▪ No contribution to SRF from 2024 and lower/no contribution to DGS from 2025

- 2024-2025 Net income to exceed 2023 Net income
- Fully phased-in CET1 ratio post Basel 4 at >14% as at 31.12.25 (>15% including DTA)
- 70% cash payout ratio
- Any additional distribution to be evaluated year-by-year

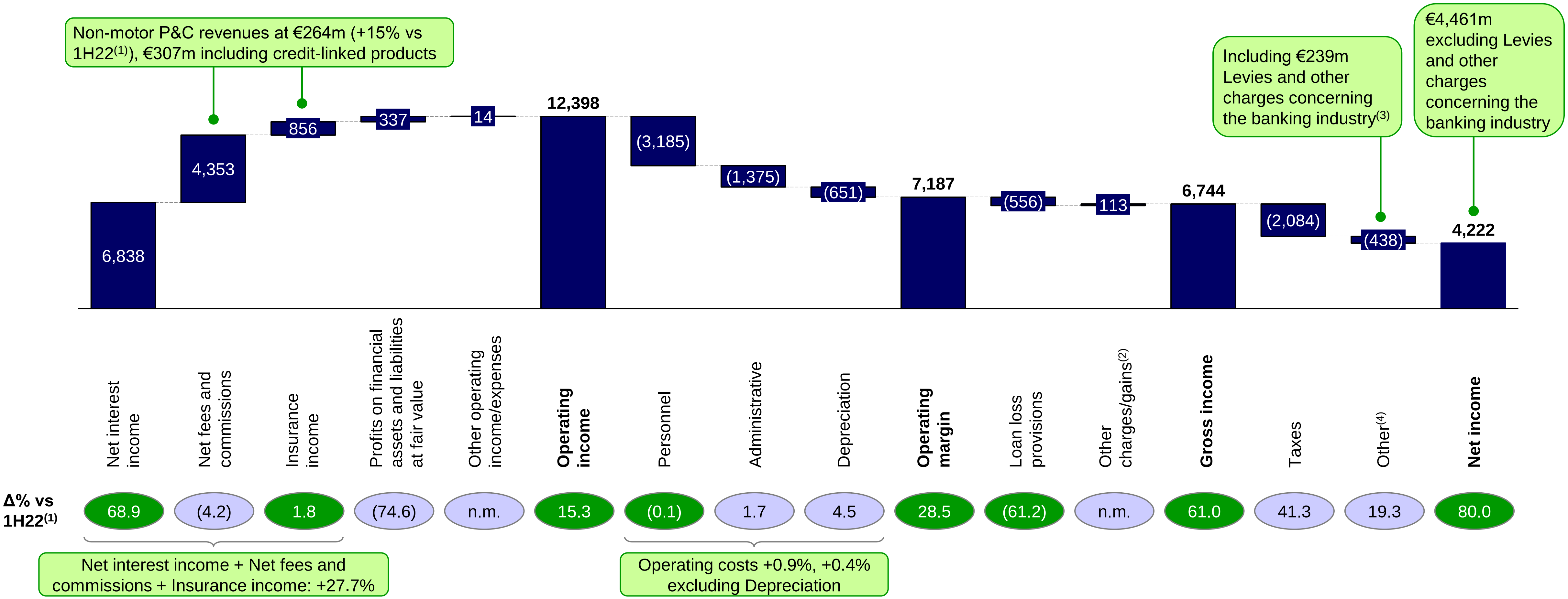
At least ~11% dividend yield(3)

(1) Taking also into account the impact of the renewal of the National Labour contract
(2) Lower Loan loss provisions vs 2022-2025 Business Plan assumptions with a view to subsequently disposing of the exposures impacted by calendar provisioning
(3) Based on ISP share price as at 27.7.23, well above €7bn 2023 Net income guidance and 70% payout. Subject to shareholders' approval

Contents

H1: €4.2bn Net income, the best six months since 2007

1H23 P&L; € m



Note: figures may not add up exactly due to rounding

(1) Restated for the adoption of IFRS 17 and IFRS 9 by the Group's insurance companies

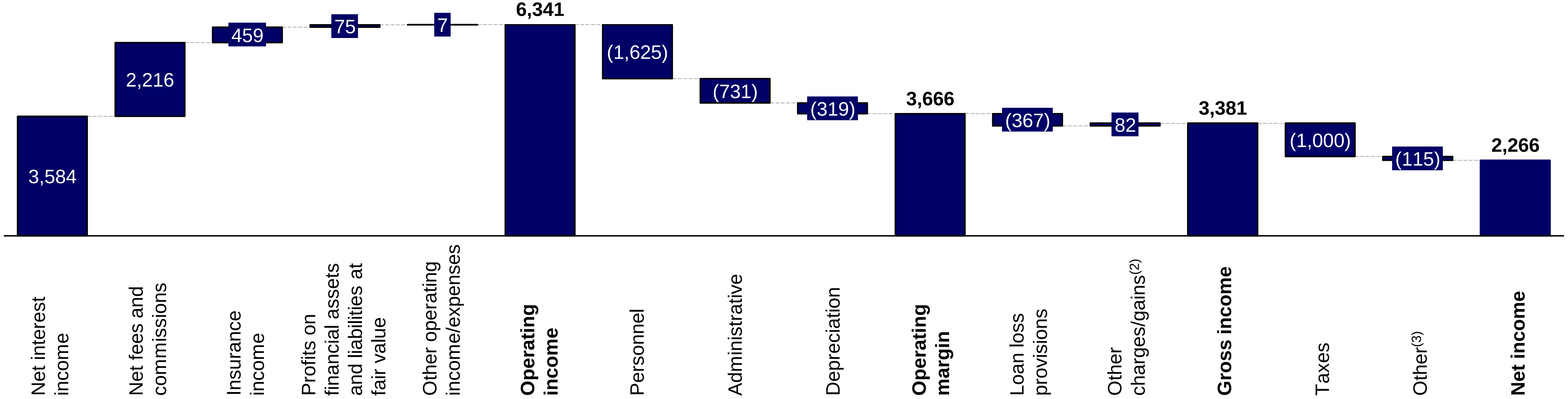
(2) Net provisions and net impairment losses on other assets, Other income (expenses), Income (Loss) from discontinued operations

(3) Including the final contribution to the Resolution Fund: €323m pre-tax (€221m net of tax), our estimated commitment for the year

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

Q2: €2.3bn Net income, the best quarter since 2007

2Q23 P&L; € m



	Net interest income	Net fees and commissions	Insurance income	Profits on financial assets and liabilities at fair value	Other operating income/expenses	**Operating income**	Personnel	Administrative	Depreciation	**Operating margin**	Loan loss provisions	Other charges/gains[2]	**Gross income**	Taxes	Other[3]	**Net income**
Δ% vs 1Q23	10.1	3.7	15.6	(71.4)	n.m.	4.7	4.2	13.5	(3.9)	4.1	94.2	164.5	0.5	(7.7)	(64.4)	15.8
Δ% vs 2Q22[1]	71.3	(1.7)	2.2	(86.6)	n.m.	18.7	0.7	1.8	3.2	35.6	(49.7)	(3.5)	64.2	43.1	101.8	73.9

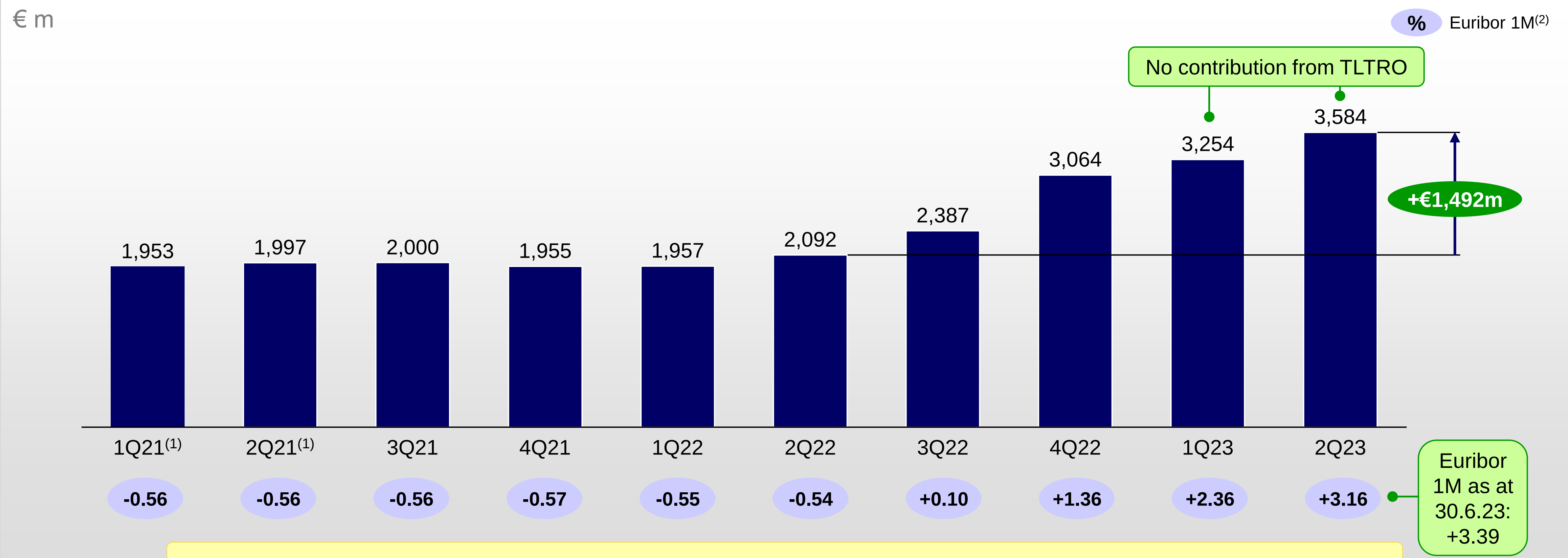
Δ% vs 1Q23: Net interest income + Net fees and commissions + Insurance income: +8.1%

Δ% vs 2Q22: Net interest income + Net fees and commissions + Insurance income: +30.5%

Note: figures may not add up exactly due to rounding
(1) Restated for the adoption of IFRS 17 and IFRS 9 by the Group's insurance companies
(2) Net provisions and net impairment losses on other assets, Other income (expenses), Income (Loss) from discontinued operations
(3) Charges (net of tax) for integration and exit incentives, Effect of purchase price allocation (net of tax), Levies and other charges concerning the banking industry (net of tax), Impairment (net of tax) of goodwill and other intangible assets, Minority interests

Further strong acceleration in Net interest income in Q2…

Net interest income



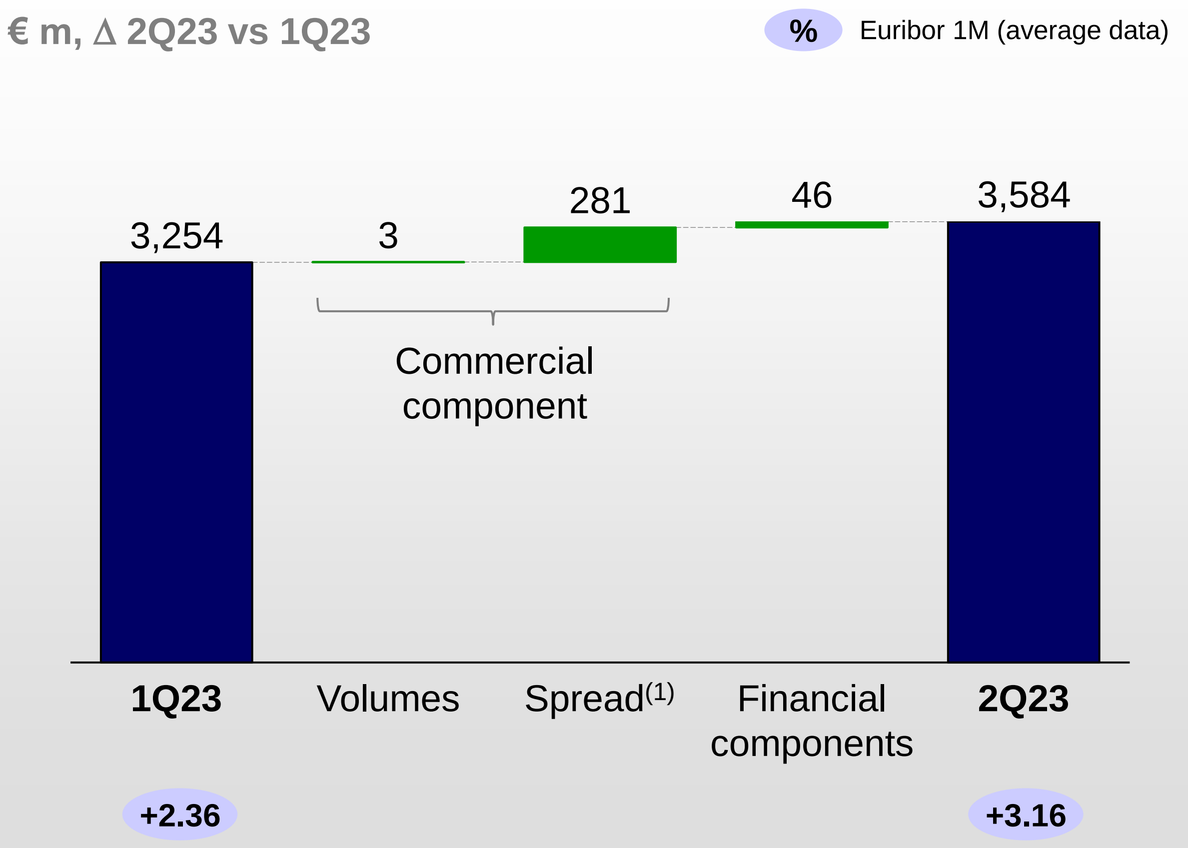
Net interest income expected at >€13.5bn in 2023 with further growth expected in 2024 and 2025

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

… thanks to the commercial component that will continue to fuel growth

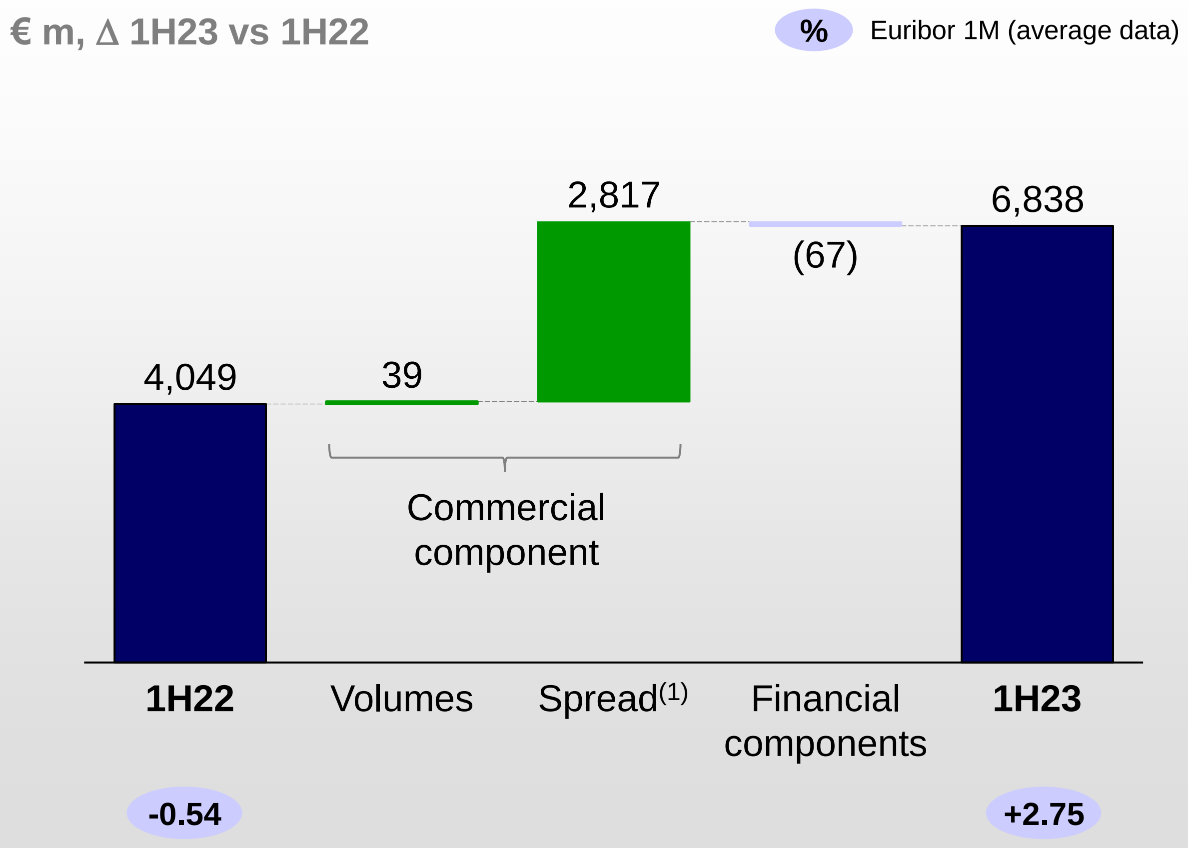
Net interest income – Quarterly comparison

€ m, Δ 2Q23 vs 1Q23



Net interest income – Yearly comparison

€ m, Δ 1H23 vs 1H22

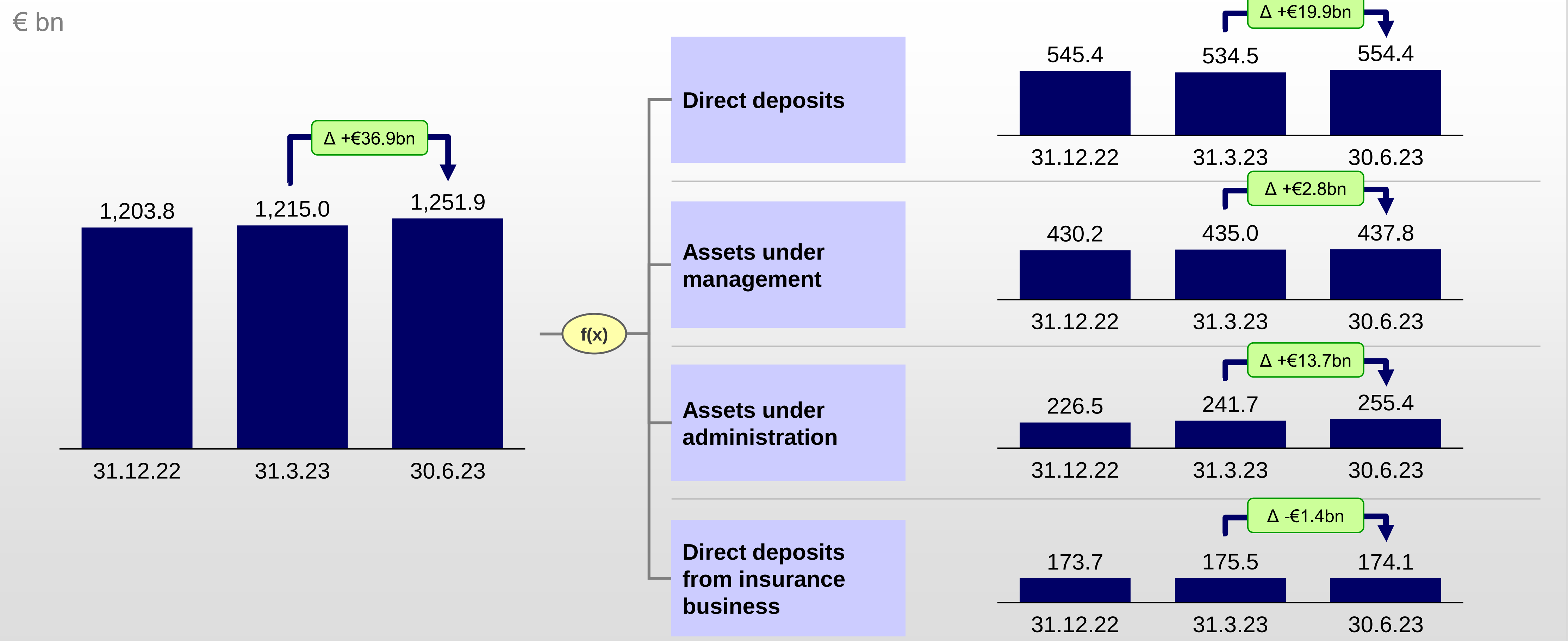


Note: figures may not add up exactly due to rounding

(1) Including hedging on core deposits

~€1.3 trillion in Customer financial assets, with a €37bn increase in Q2

Customer financial assets[1]



Direct deposits and Assets under administration will fuel our Wealth Management and Protection businesses in the future with a positive impact on Commissions

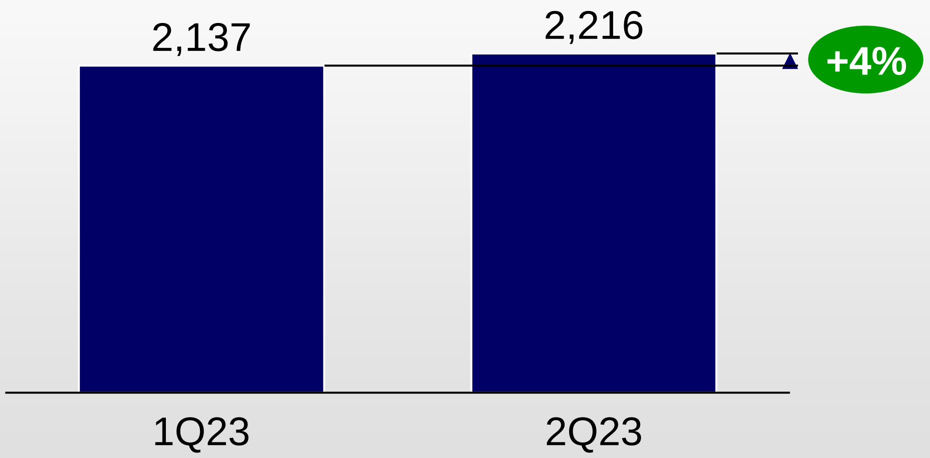
Note: figures may not add up exactly due to rounding. The amount for Indirect customer deposits as at 31.3.23 and 31.12.22 has been restated, for the Assets under administration and in custody component, as a result of the delisting of shares, which, as they are no longer listed, are included at nominal value

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

Recovery in Commissions and further increase in Insurance income in Q2

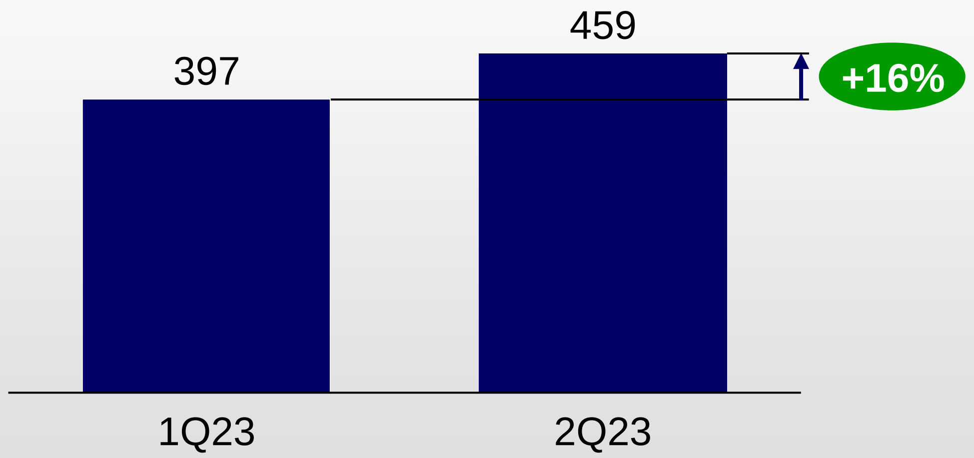
Net fees and commissions

€ m



Insurance income

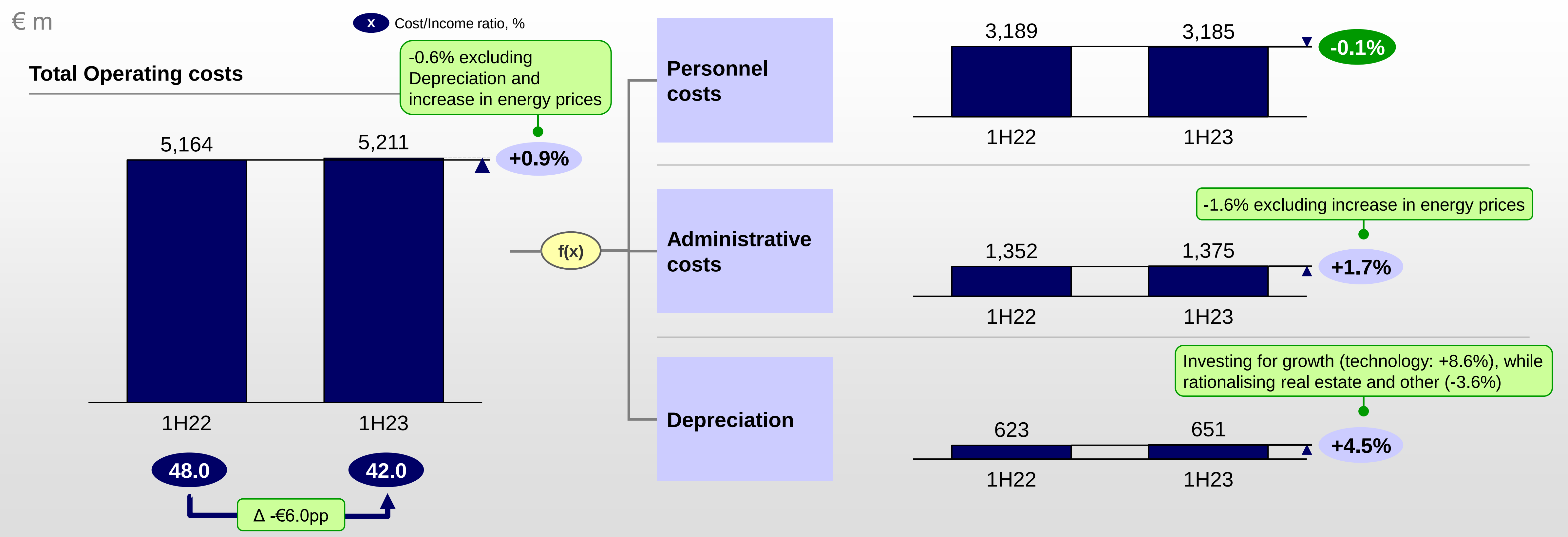
€ m



A Wealth Management, Protection & Advisory leader, with fully-owned product factories and growing P&C contribution (~€330m in 1H23 vs ~€270m in FY18), expected to reach ~€800m in 2025

Lowest-ever six-month Cost/Income ratio with Operating costs essentially stable despite inflation and while strongly investing in technology and growth

Operating costs

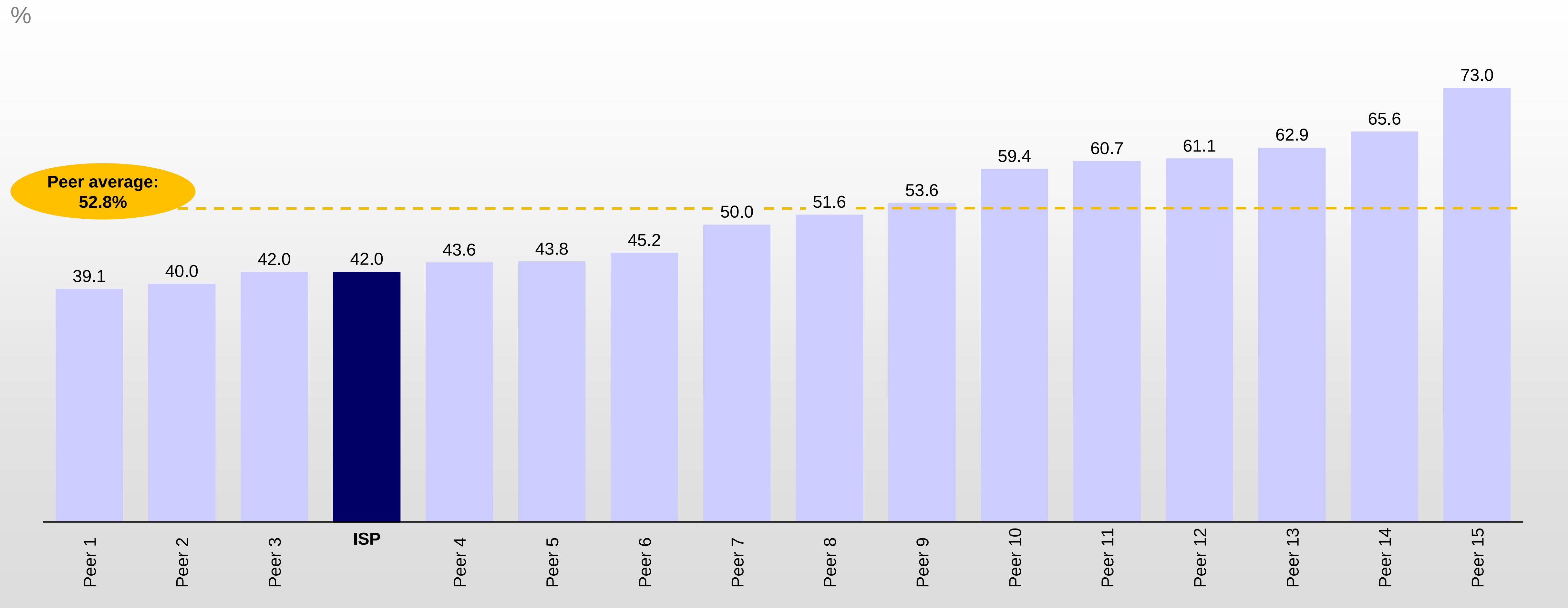


- **~1,850 headcount reduction on a yearly basis, with further ~3,000 voluntary exits by 1Q25 (of which ~850 as of 1.7.23), already agreed with Labour Unions and fully provisioned**
- **~2,200 hires in 2021-2022-1H23 and an additional ~2,400 hires by 2025**

Note: figures may not add up exactly due to rounding

Best-in-class Cost/Income ratio in Europe

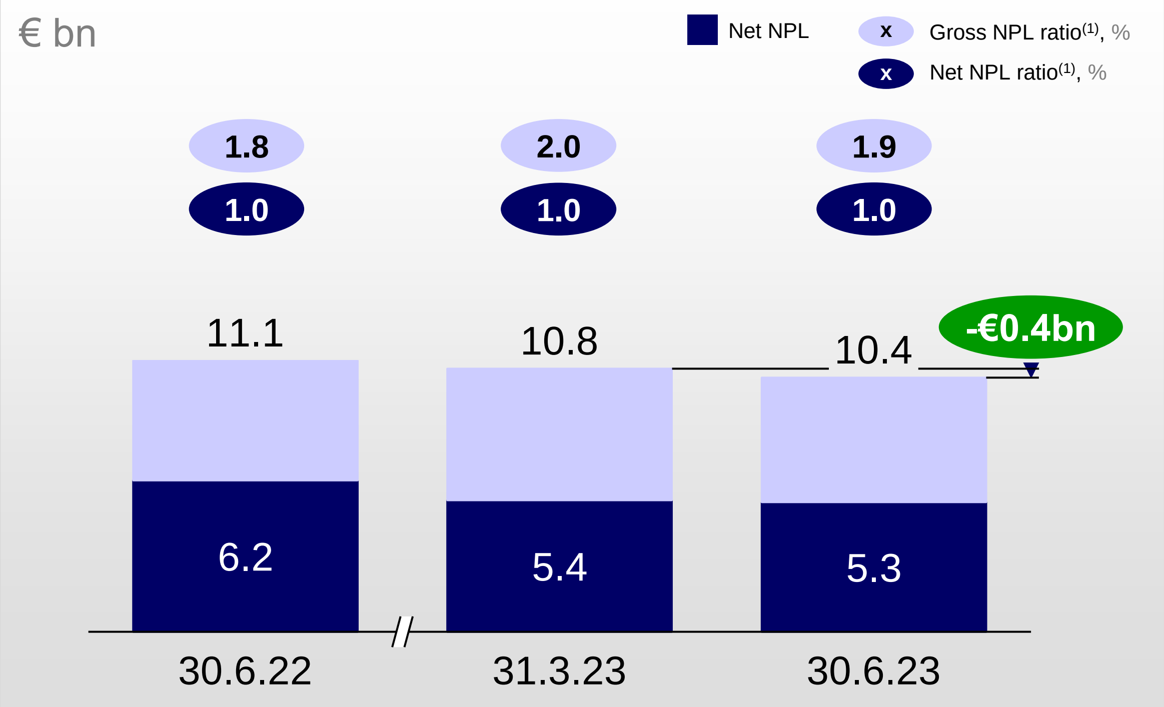
Cost/Income ratio(1)



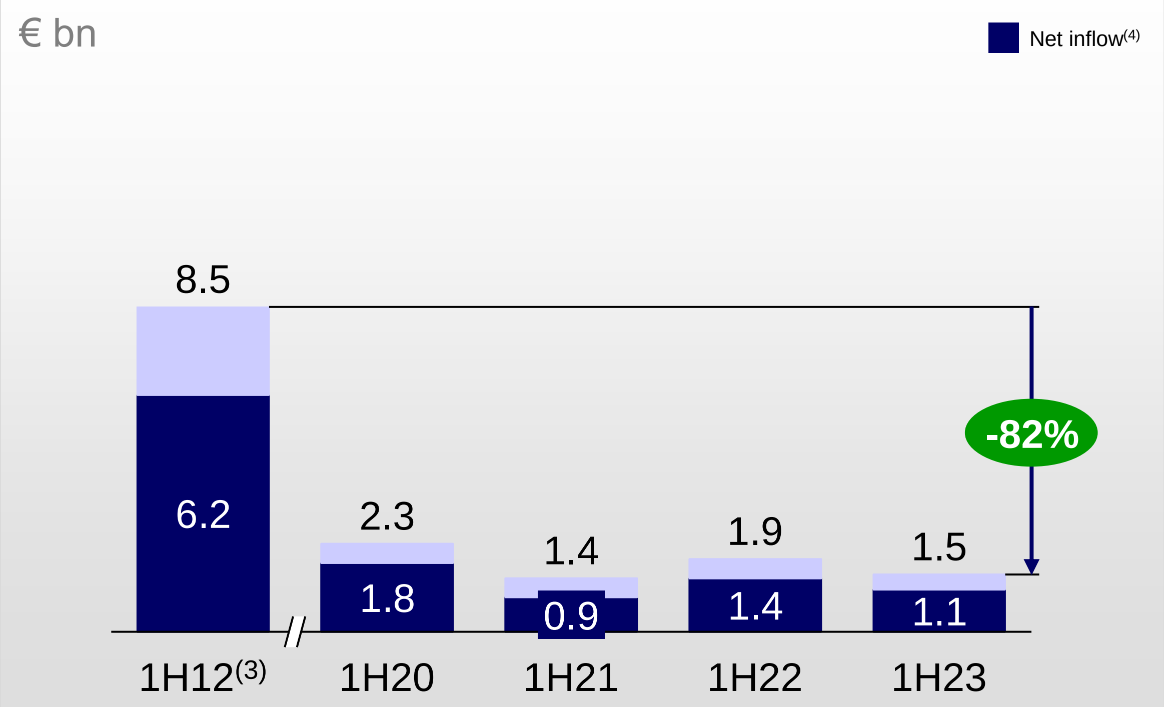
(1) Sample: Barclays, BNP Paribas, Deutsche Bank, Lloyds Banking Group, Nordea, Santander and UniCredit (30.6.23 data); BBVA, Commerzbank, Crédit Agricole S.A., HSBC, ING Group, Société Générale, Standard Chartered and UBS (31.3.23 data)

Zero-NPL Bank status with NPL inflow at historical low…

NPL stock



NPL inflow(2) from Performing loans

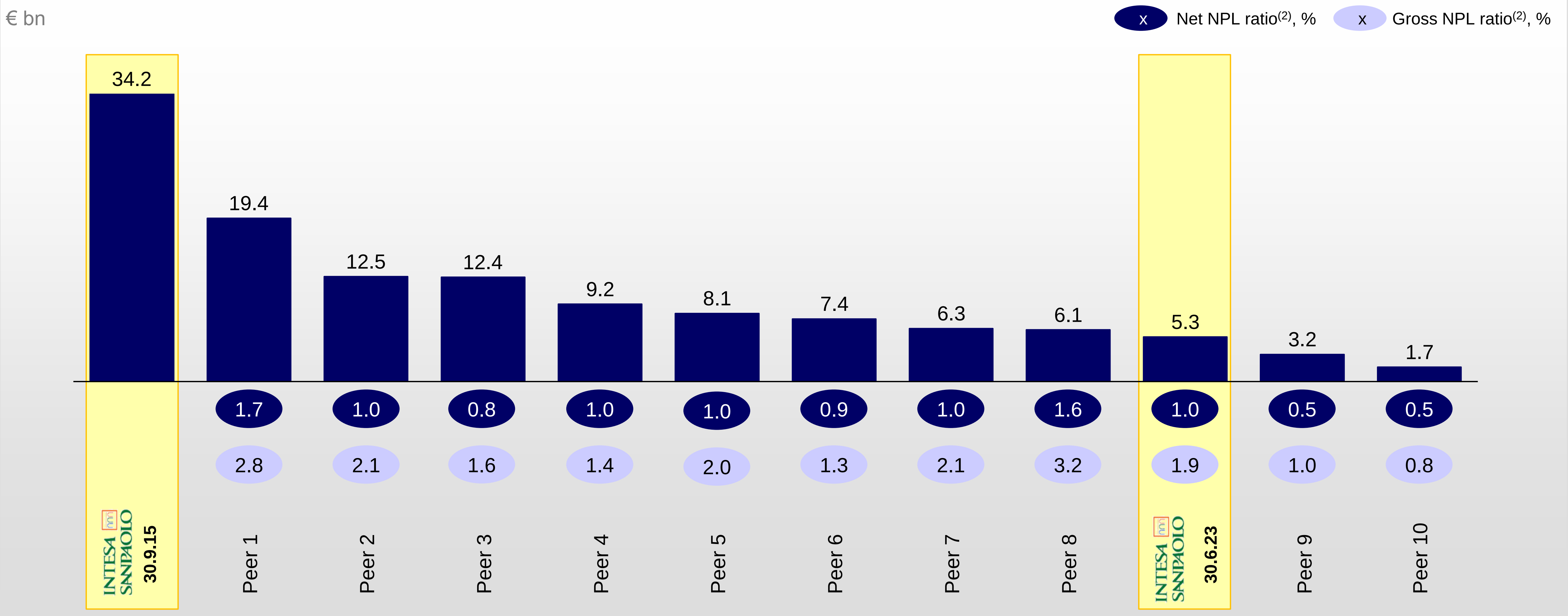


Further reduction in NPL stock in Q2

(1) According to EBA definition
(2) Inflow to NPL (Bad loans, Unlikely to pay and Past due) from Performing loans
(3) 2012 figures recalculated to take into consideration the regulatory changes to Past due classification criteria introduced by the Bank of Italy (90 days since 2012 vs 180 days up until 31.12.11)
(4) Inflow to NPL (Bad loans, Unlikely to pay and Past due) from Performing loans minus outflow from NPL into Performing loans

… positioning ISP among the best banks in Europe for NPL stock and ratios…

Net NPL stock for the main European banks(1)

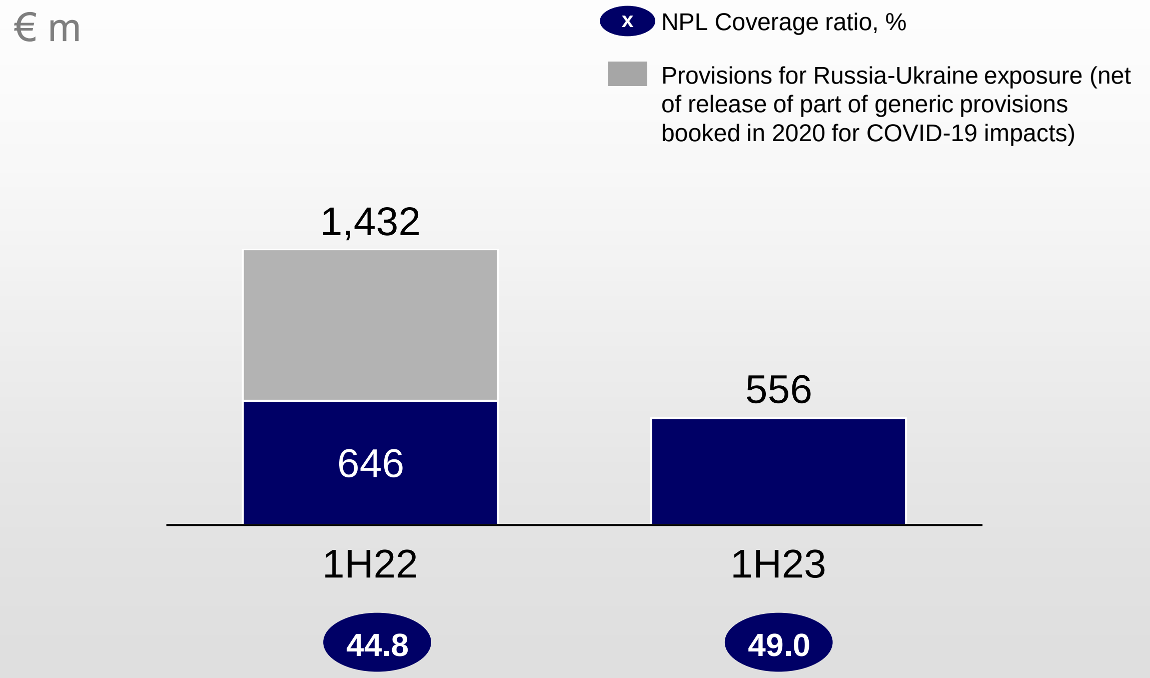


(1) Including only banks in the EBA Transparency Exercise. Sample: BNP Paribas, Deutsche Bank, Nordea, Santander and UniCredit as at 30.6.23; BBVA, Commerzbank, Crédit Agricole Group, ING Group and Société Générale as at 31.3.23
(2) According to EBA definition. Data as at 30.6.22

Source: EBA Transparency Exercise, Investor presentations, press releases, conference calls and financial statements

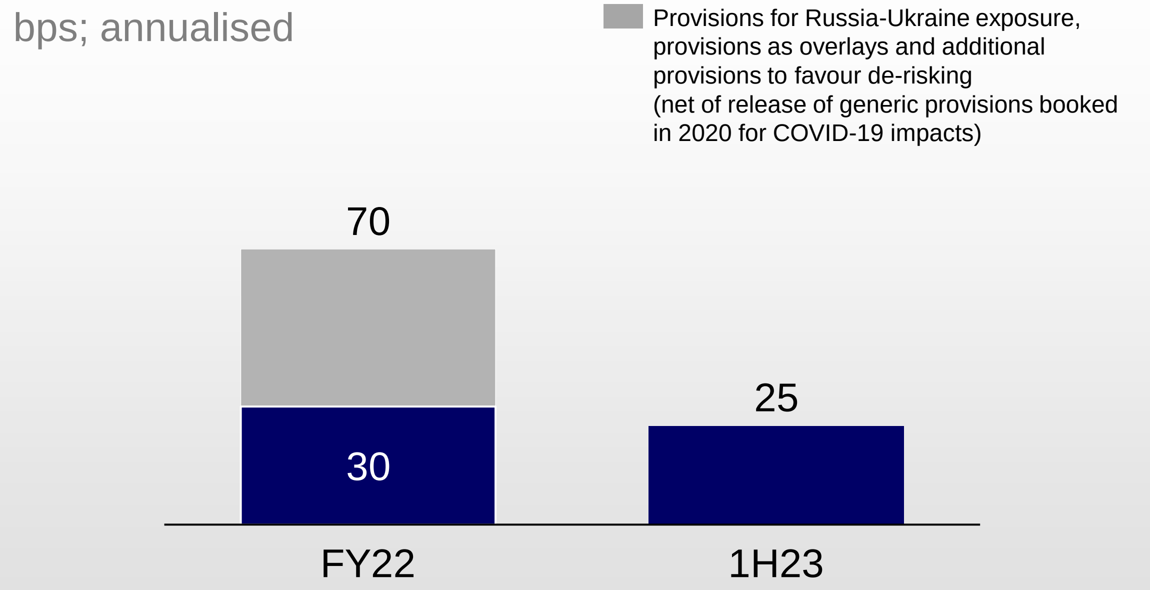
… and driving Cost of risk to historical low while increasing coverage

Loan loss provisions (LLP)



€0.9bn as overlays

Cost of risk

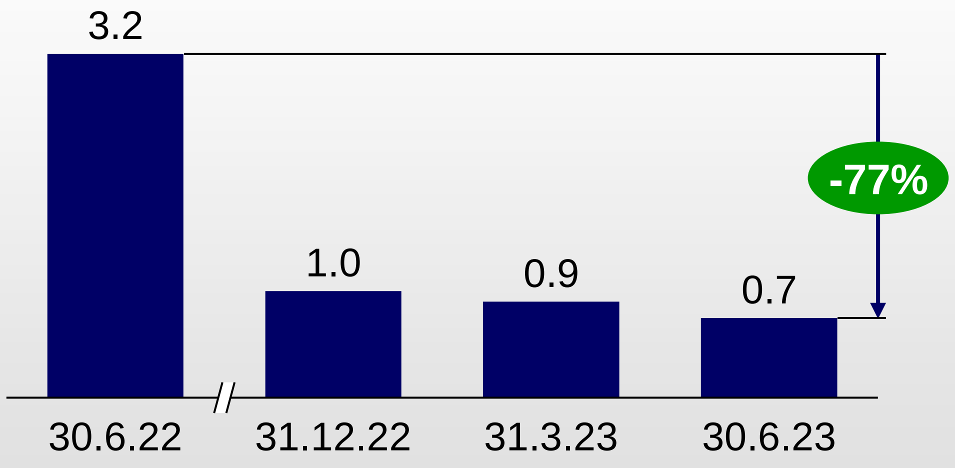


Low Cost of risk in line with Zero-NPL Bank status and with Russia exposure approaching zero

Russia exposure reduced to 0.2% of Group customer loans

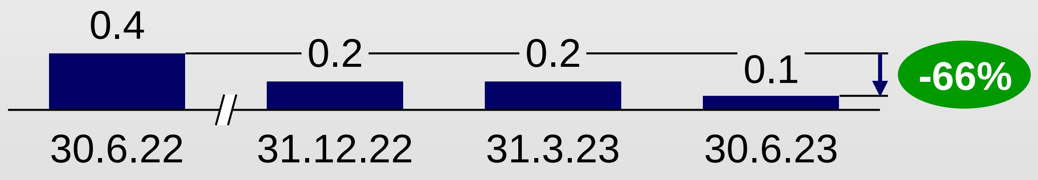
Cross-border exposure to Russia

Loans to customers net of ECA[(1)] guarantees and provisions, € bn



Local presence in Russia

Loans to customers net of provisions – Banca Intesa, € bn

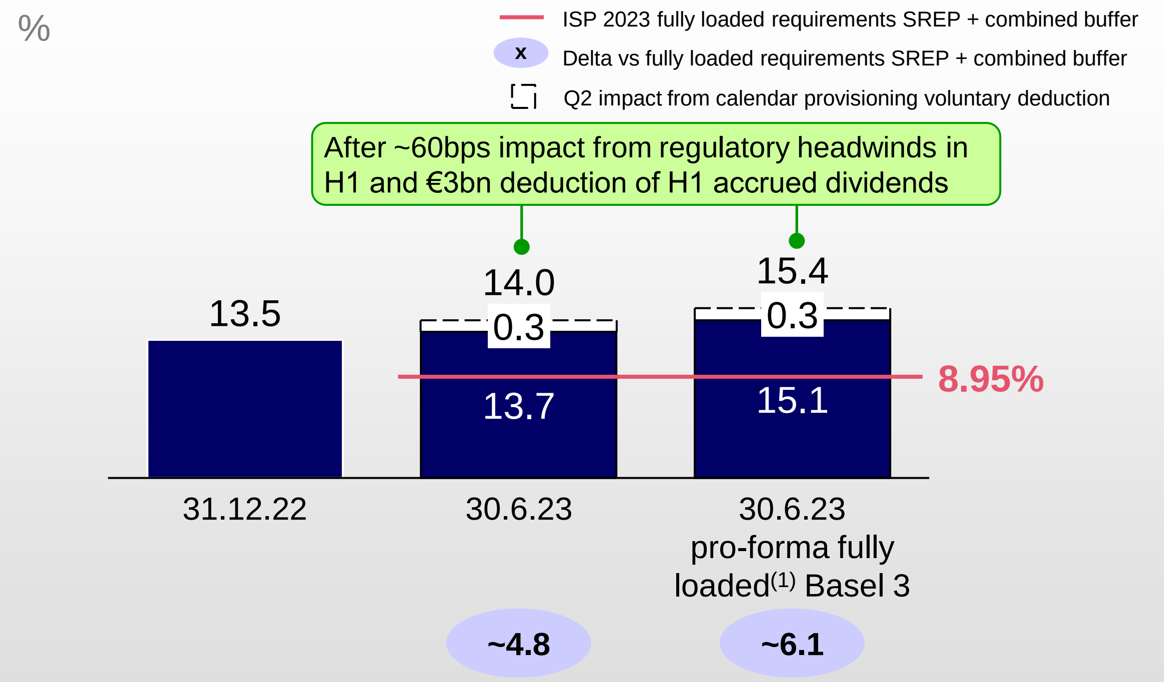


- **No new financing/investment since the beginning of the conflict**
- **Over two-thirds of cross-border exposure to Russia refers to top-notch industrial groups** with:
  - Long-established commercial relationships with customers part of major international value chains
  - Significant portion of client income deriving from commodity exports

Note: figures may not add up exactly due to rounding
(1) Export Credit Agencies

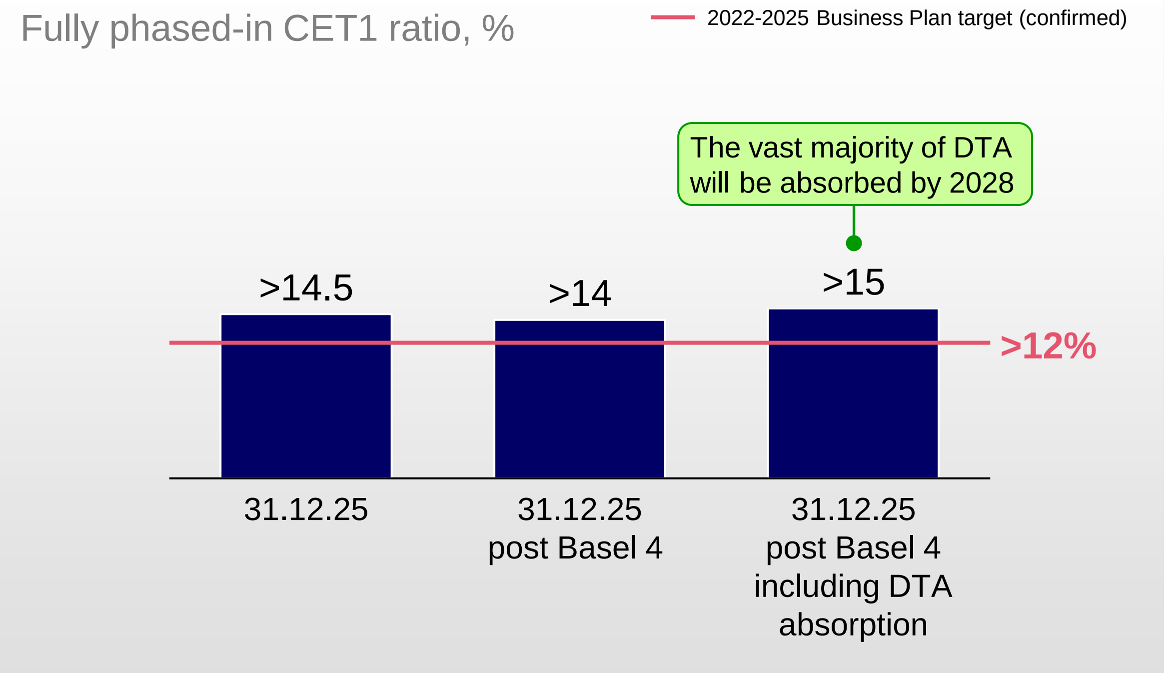
Rock-solid and increased capital base despite absorbing in H1 the vast majority of expected regulatory headwinds

Fully phased-in CET1 ratio



30bps impact in Q2 from calendar provisioning voluntary deduction from CET1, to be reflected in reduced Pillar 2 requirement and ~€0.4bn higher Net income in the two-year period 2024-2025 vs the Net income originally envisaged in the 2022-2025 Business Plan, thanks to lower Cost of risk[(2)]

CET1 ratio projections



- **~120bps additional benefit from DTA absorption (of which ~30bps in the 3Q23-2025 horizon) not included in the fully phased-in CET1 ratio**
- **Taking into account a 70% cash payout ratio and not considering any additional distribution to be evaluated year-by-year**

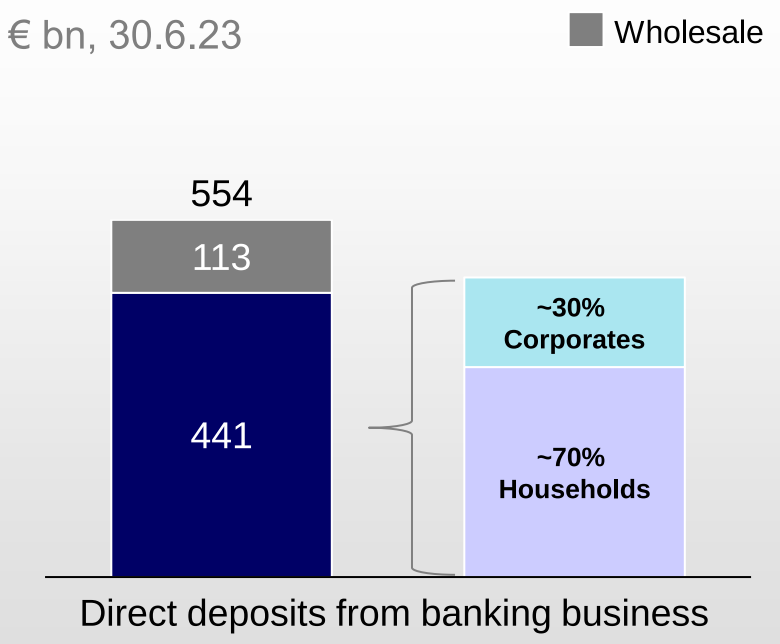
Note: figures may not add up exactly due to rounding

(1) 30.6.23 financial statements considering the total absorption of DTA related to IFRS9 FTA, DTA convertible in tax credit related to goodwill realignment and adjustments to loans, DTA related to non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of operations of the two former Venetian banks, as well as the expected absorption of DTA related to the combination with UBI Banca and to the new agreement with trade unions signed on 16.11.21 and DTA on losses carried forward, and the expected distribution on 1H23 Net income of insurance companies

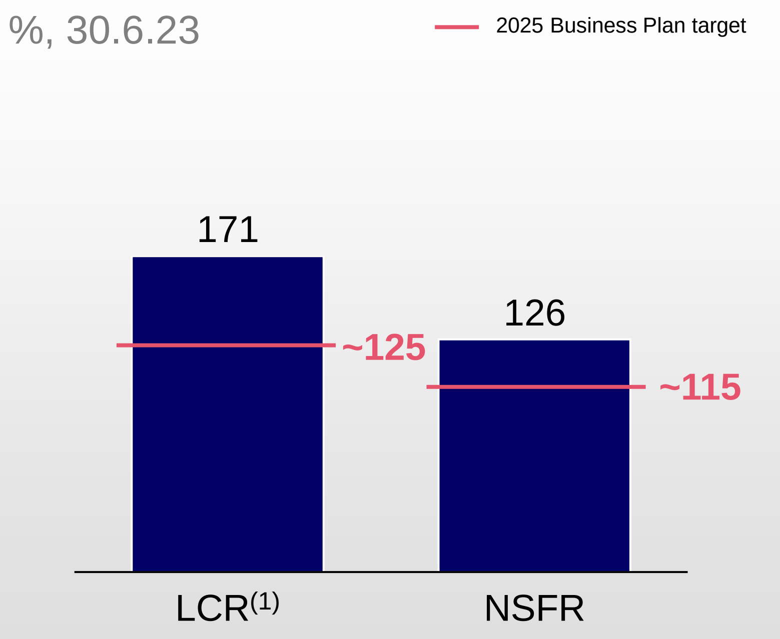
(2) Vs 2022-2025 Business Plan assumptions of Loan loss provisions with a view to subsequently disposing of exposures impacted by calendar provisioning

Sound liquidity position with LCR and NSFR well above regulatory requirements and Business Plan targets…

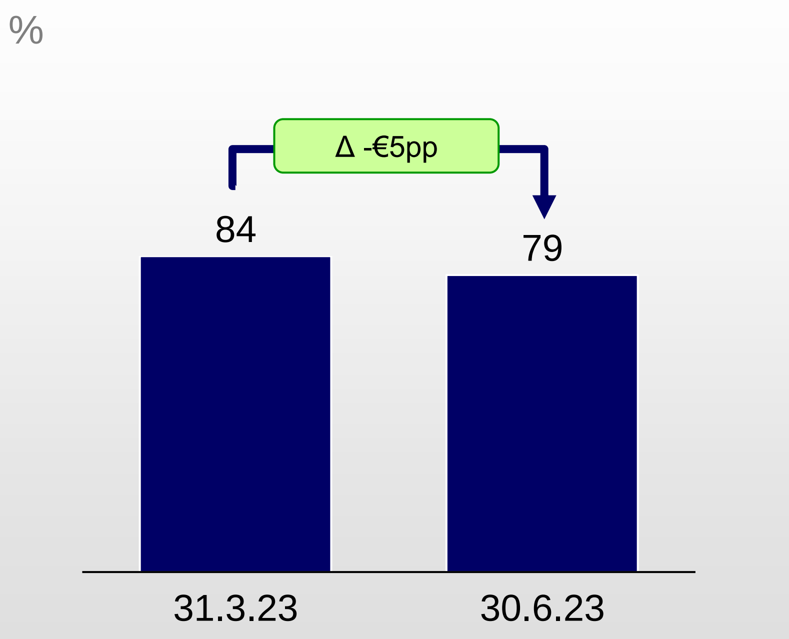
Retail funding represents 80% of Direct deposits from banking business



Liquidity ratios well above regulatory requirements and Business Plan targets



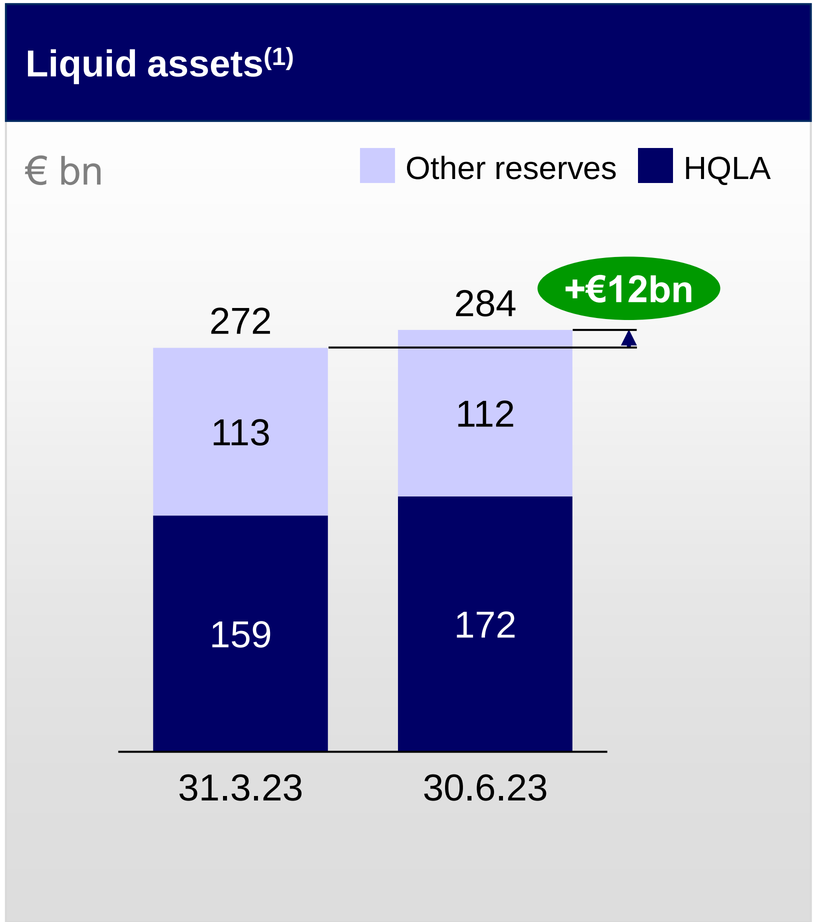
Loan to Deposit ratio

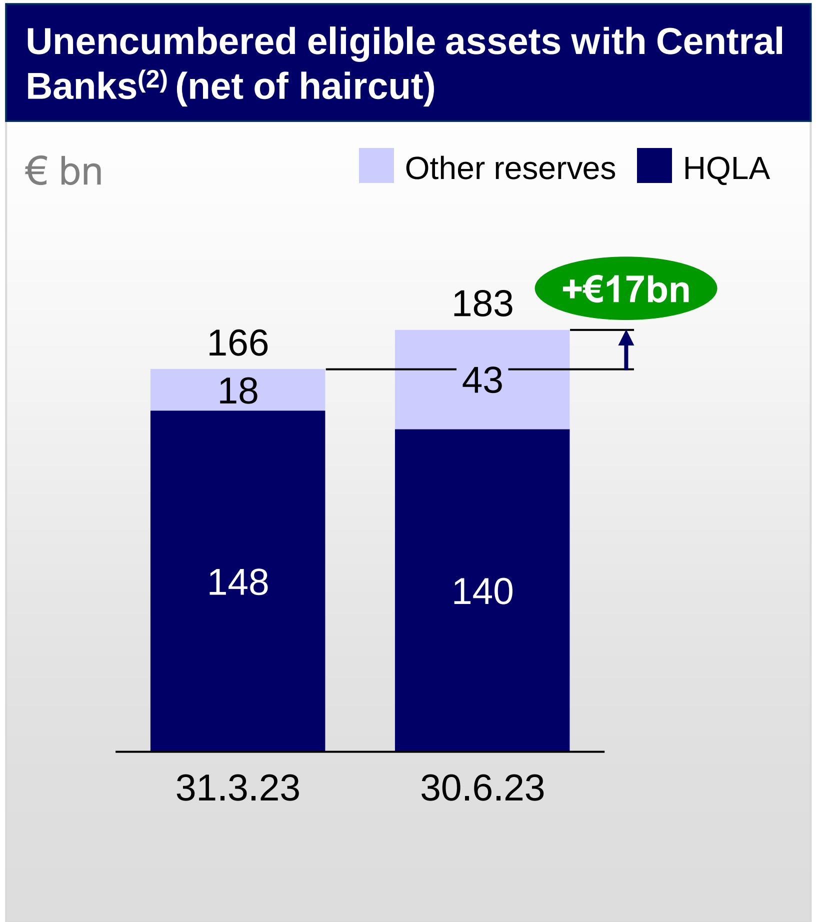


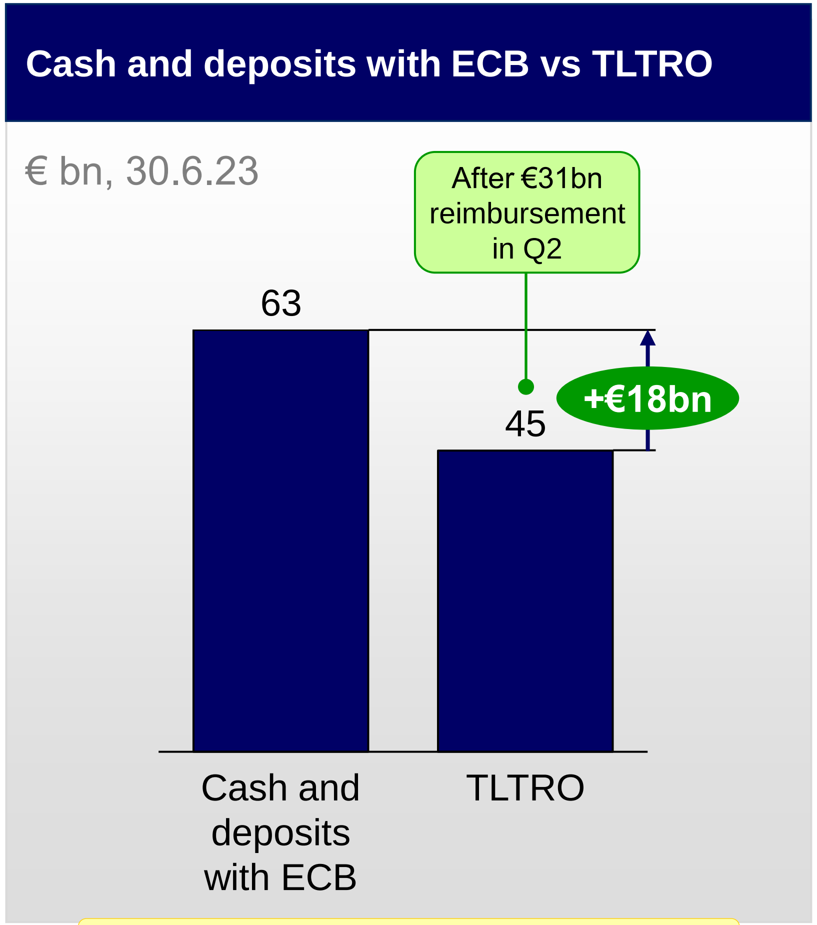
- **83% of Household deposits are guaranteed by the Deposit Guarantee Scheme (63% including Corporates)**
- **Very granular deposit base: average deposits €13k for Households (~19m clients) and €68k for Corporates (~1.8m clients)**
- **Broad access to international wholesale-funding markets across all geographies**

Note: figures may not add up exactly due to rounding
(1) Last twelve-month average

… with high and increasing liquidity reserves







Cash with ECB higher than TLTRO

Note: figures may not add up exactly due to rounding

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

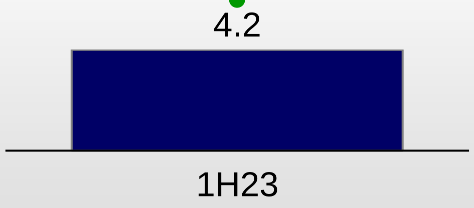
(2) Eligible assets freely available (excluding assets used as collateral and including eligible assets received as collateral) and cash and deposits with Central Banks. Net of haircuts

All stakeholders benefit from our solid performance

Shareholders

Net income, € bn

2023 dividend yield: at least ~11%[1]; ~40% of cash dividends go directly to Italian households and to foundations



€3bn dividends already accrued in H1 – of which a minimum of €2.45bn to be paid in November as an interim dividend[2] – and €1.7bn buyback executed in February-April 2023

Employees

Personnel expenses, € bn

In 2022, €77m one-off contribution to ISP People to mitigate the impact from inflation

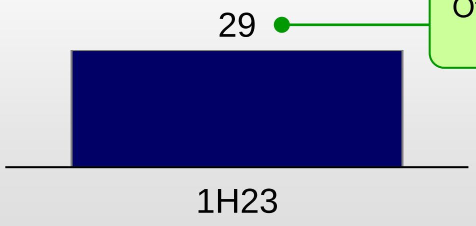
Public sector

Taxes[3], € bn

€590m increase in taxes[3] vs 1H22 as Net interest income drives €1.9bn growth in Net income

Households and businesses

Medium/Long-term new lending, € bn



Of which €19.3bn in Italy

>1,900 Italian companies helped to return to performing status[4] in H1 (>139,000 since 2014)

(1) Based on ISP share price as at 27.7.23, well above €7bn 2023 Net income guidance and 70% payout. Subject to shareholders' approval
(2) Relevant resolution from the Board of Directors to be defined on 3.11.23 when approving results as at 30.9.23
(3) Direct and indirect. Increase vs 1H22 entirely due to direct taxes
(4) Deriving from Non-performing loans outflow

Leading ESG position in the main sustainability indexes and rankings

The **only Italian bank** included in the **Dow Jones Sustainability Indices,** the **CDP Climate A List 2022** and **2023 Corporate Knights** "Global 100 Most Sustainable Corporations in the World Index"

Ranked first among peer group by Bloomberg (ESG Disclosure Score) and Sustainalytics

In January 2023, ISP was confirmed in the **Bloomberg Gender-Equality Index**

In September 2022, ISP was ranked second bank worldwide in the **Refinitiv D&I Index**

In the 2022 ranking by **Institutional Investor**, ISP was **confirmed first in Europe** for ESG aspects

Top ranking(1) for Sustainability

Bloomberg		CDP		MSCI		S&P Global		Morningstar Sustainalytics	
Intesa Sanpaolo	74	Intesa Sanpaolo	A	Société Générale	AAA	BBVA	86	Intesa Sanpaolo	15.4
UniCredit	67	UBS	A	Intesa Sanpaolo	AA	BNP Paribas	84	UniCredit	16.9
UBS	63	Santander	A	BBVA	AA	Intesa Sanpaolo	83	Société Générale	18.6
BBVA	62	Standard Chartered	A-	BNP Paribas	AA	Santander	83	Lloyds Bank	19.4
HSBC	62	Lloyds Bank	A-	ING	AA	UBS	79	Commerzbank	21.1
Standard Chartered	61	Barclays	A-	Standard Chartered	AA	Société Générale	79	Nordea	21.7
Santander	61	Société Générale	B	UBS	AA	Nordea	70	BBVA	22.4
Lloyds Bank	59	BBVA	B	Santander	AA	Barclays	68	Santander	22.4
Deutsche Bank	59	UniCredit	B	Lloyds Bank	AA	UniCredit	65	Barclays	22.8
Société Générale	59	Crédit Agricole	B	HSBC	AA	HSBC	62	Crédit Agricole	23.2
BNP Paribas	58	HSBC	B	Barclays	AA	Deutsche Bank	59	ING	23.2
Barclays	55	Nordea	B	Commerzbank	AA	Lloyds Bank	52	UBS	23.7
Commerzbank	55	Deutsche Bank	B	Nordea	AA	Standard Chartered	47	HSBC	25.5
ING	53	BNP Paribas	C	Crédit Agricole	AA	Commerzbank	46	BNP Paribas	25.5
Crédit Agricole	53	Commerzbank	C	Deutsche Bank	A	Crédit Agricole	46	Standard Chartered	25.7
Nordea	45	ING	N/S	UniCredit	A	ING	40	Deutsche Bank	27.9

ISP included in all main indexes:

STOXX Member 2022/2023 ESG Leaders Indices; MIB ESG by Euronext; MSCI ESG Ratings AA (D); CDP Disclosure Insight Action; CDP A List 2022 Climate; Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA; Top 10% 83/100; Solactive; FTSE4Good; Refinitiv Top 100 Company 2022 Diversity and Inclusion Index; Morningstar Indexes; Morningstar Sustainalytics; Bloomberg Gender-Equality Index 2023 Member; Global 100 2023 The World's Most Sustainable Corporations; Corporate Knights The Magazine for Clean Capitalism; standard ethics; ECPI Sense in sustainability

(1) ISP peer group

Source: Bloomberg ESG Disclosure Score (Bloomberg as at 17.7.23), CDP Climate Change Score 2022 (https://www.cdp.net/en/companies/companies-scores); MSCI ESG Score (https://www.msci.com/esg-ratings) data as at 17.7.23; S&P Global (https://www.spglobal.com/esg/solutions/data-intelligence-esg-scores as at 17.7.23); Sustainalytics score (https://www.sustainalytics.com/esg-ratings as at 17.7.23)

Contents

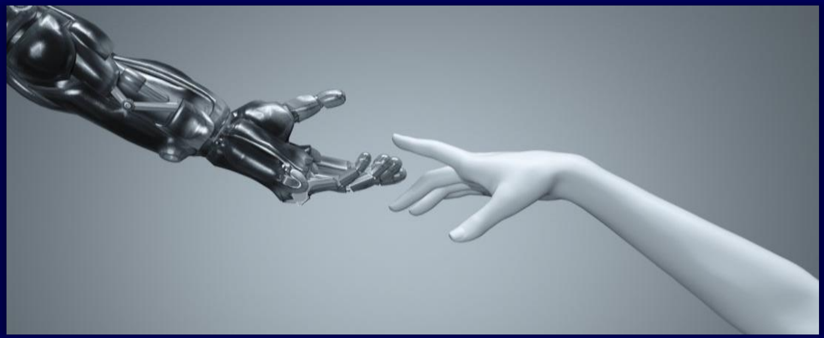
Significant investments in technology already deployed to succeed now and in the future

1 isytech: ISP cloud-based digital banking platform

New technology backbone already available to mass market retail clients through isybank, to be progressively extended to the entire Group

2 Digital businesses

New digital channels (isybank FIDEURAM DIRECT) to attract new clients and better serve ISP customers with a low cost-to-serve model



3 Artificial intelligence

Artificial intelligence to further unlock new business opportunities, increase operational efficiency and further improve the management of risks

~€500m additional contribution(1) to 2025 Gross income, not envisaged in the 2022-2025 Business Plan

(1) Additional contribution to 2025 Gross income from isytech, isybank, Fideuram Direct and AI not envisaged in the Business Plan, offsetting the impact from higher inflation and renewal of the Labour contract

1 New technology backbone (isytech) already available to mass market retail clients through isybank, to be progressively extended to the entire Group

EMARKET SDIR CERTIFIED

isytech: our cloud-native tech backbone…	… already successfully deployed through isybank …	… to be progressively extended to the entire Group
▪ **isytech** developed in **partnership with leading fintech** Thought Machine ▪ New cloud solution leveraging the partnership with Google Cloud and TIM (**Skyrocket**)	▪ **isytech** successfully deployed to **mass market retail clients** through our new digital bank (isybank) ▪ isybank is an enabler of structural Cost reduction and additional Revenue generation	▪ **isytech** is an incubator to **extend** the tech backbone to the **entire Group**, across: – Client segments (Affluent, Private Banking, SME/Corporate) – Main European International Subsidiary Banks
~€1.8bn IT investments already deployed and >1,200 IT specialists already hired	**A digital bank with <30% Cost/Income business model and ~5m clients(1)**	**~€150m additional contribution to 2025 Gross income, not envisaged in the Business Plan**

(1) By the end of 2025

INTESA SANPAOLO

1 isytech: Group cloud-based digital platform

Key elements of our cloud-based digital platform

Cloud-native
- Scalable hybrid cloud technology
- Lower and flexible infrastructure costs

Modular
- API-based architecture
- Faster time-to-market

Secure
- Enhanced cyber-security protection
- Resilient by design

Scalable
- Across segments
- Across products
- Across geographies

Always on
- 24/7/365
- Real-time
- Instant responses
- Omnichannel

isytech: our cloud-based digital platform

The first leading bank fully adopting a next-gen cloud-based core banking solution

2 A new digital bank with an innovative customer experience delivered in less than 12 months

isybank

Unique digital customer experience…

<3 minutes
average onboarding time

<30 clicks
required to open an account

Immediately active
accounts and cards for client banking needs

- **Leading digital capabilities:** ISP App defined by Forrester as "Global Mobile Banking Apps Leader"
- Top-notch **customer security** enabled by ISP **control framework**
- **>40% of total sales** to retail Group customers already digital(1) today

… already appreciated by the market

>10,000 accounts
already opened

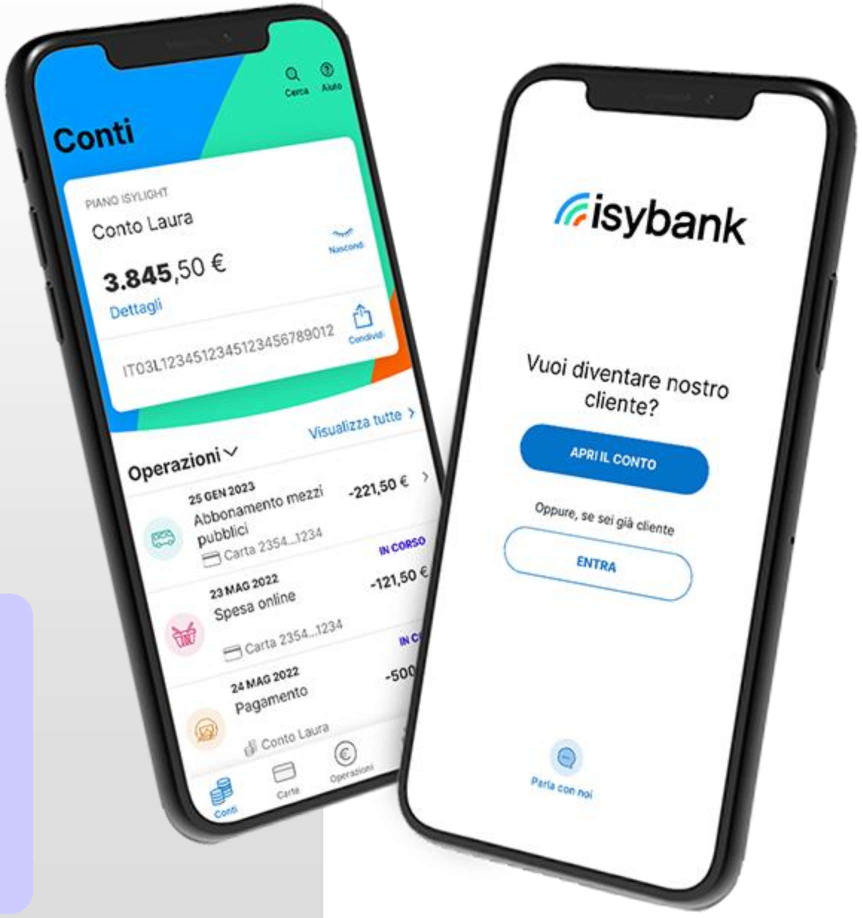
~4.7
average rating on Apple and Android Store

>80
Net Satisfaction Index (NSI) on onboarding process

Examples of customer quotes:

"Simple, intuitive and easy"

"From a user friendliness perspective, the best app I have ever tried! Congrats"



(1) Self and remote offering ("offerta a distanza")

INTESA SANPAOLO

2 Broader and more innovative product offering than digital challengers

isybank

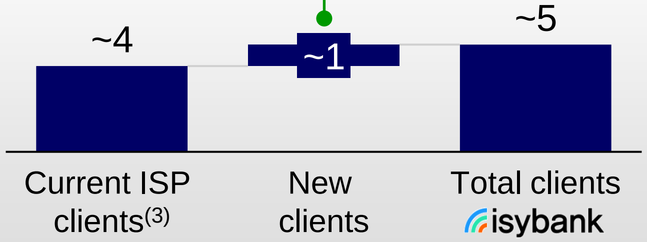
Product offering broader than digital challengers[1]…

Fully accessible product catalogue, in continuous evolution[2]

		isybank	Peer 1	Peer 2	Peer 3	Peer 4
Cards	**Debit cards**	✓	✓	✓	✓	✓
	Cards in eco-sustainable material	✓	✗	✗	✗	✗
	EU and extra-EU withdrawals	✓	✓	✓	✓	✓
Payments	**Transfers**	✓	✓	✓	✓	✓
	Tax incentives related transfer	✓	✗	✗	✗	✓
	Payments from account to account	✓	✓	✓	✗	✓
	Payments to Public Administration	✓[4]	✓	✓	✓	✓
Credit	**Salary advance**	✓	✗	✓	✓	✓
	Personal loans	✓	✗	✗	✓	✓
	Mortgages	✓	✗	✗	✗	✗

isybank clients

m, by 2025



>2.5m isybank clients by 1Q24

Additional benefit vs Business Plan from isybank

€ m, by 2025

… delivered through the most innovative tech platform in the market: ready to succeed even against fintechs

(1) Sample: BBVA Italy, Hype, N26 Italy and Revolut Italy
(2) E.g., to be complemented with credit cards, prepaid cards, simple protection products
(3) ISP clients already not using branches
(4) Including *MAV, F24, Pago PA*

2 isybank : a unique approach coupling digital with the human touch of Intesa Sanpaolo's Digital Branch

A digital service model with **no physical branches** but with a human touch…

… through **ISP's Digital Branch** (>2,300 People)

- *Human support in case of need*
- *Human assisted sales*
- *Specialised product advisory (e.g., mortgages)*

A **digital bank at scale** thanks to strong investments already deployed…

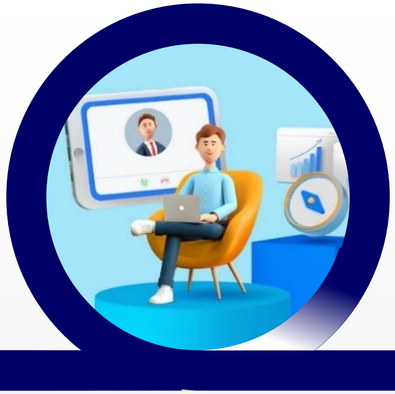
… with innovative technology driving **low running costs**

An innovative digital bank business model with <30% Cost/Income:

- **Progressively scalable to the entire Group**
- **Key enabler to speed-up/increase branch network rationalisation beyond what is already planned**

2 Fideuram Direct: the digital wealth platform for customers seeking to invest remotely in listed markets and asset management products

A unique Digital Wealth Platform…



Advanced Trading

- **Professional platform for heavy-trader** and **expert users** in 50+ cash and derivatives markets
- **Sophisticated real-time model** to monitor financial exposure
- **Contact and execution desks** with 15+ years of experience

In-Self Investments

- **Access to ~150 sustainable funds** among the **best international asset managers** selected by Fideuram Asset Management
- **Online investments in** pre-built **ESG portfolios** managed by Fideuram Asset Management

Direct Advisory

- **Team of financial advisors available *anytime - anywhere*** (by appointment, remotely, via app) to help customers in building and periodically balancing their own investment portfolios
- **Enhanced advisory tools and features**, such as **Aladdin's Robo4Advisory** platform, advanced reporting for financial coaching purposes

… enabled by state-of-the-art technology

- **Full and progressive leveraging of investments deployed for isytech**
- **Dedicated innovation lab for the Private Banking Division**

2 Fideuram Direct: a new business line to increase the leadership of the Private Banking Division in a more digital world

Fideuram Direct: a new business line…

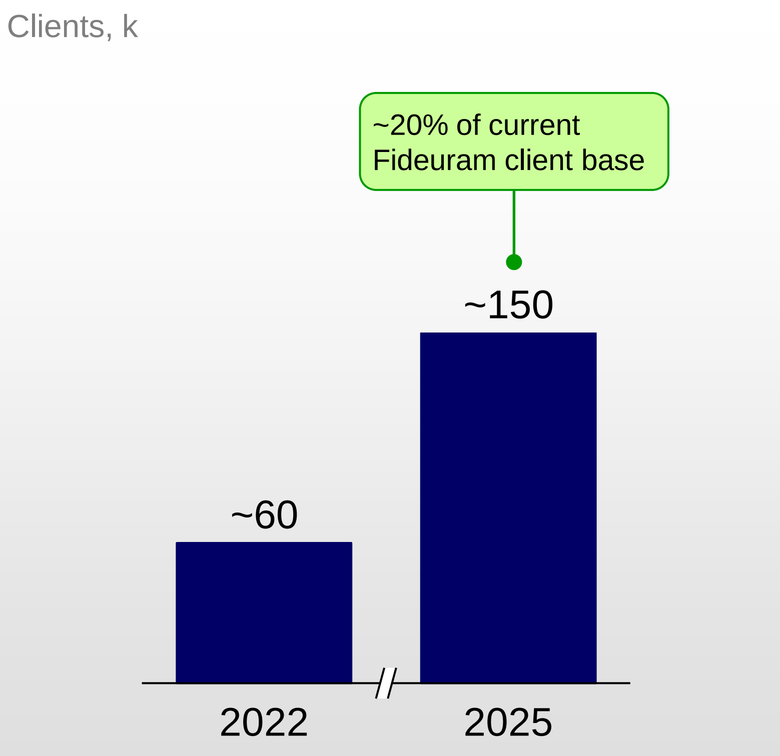
Clients

- **>1,000 private banking customers already subscribed to Advanced Trading services**
- **>50,000 customers** in traditional private banking networks have **commercial potential upside through Direct Advisory service**
- **Up to €150bn AuM** of **wealthy digital customers** in Italy

Bankers

- **New generations of bankers** can start their career **as Direct Bankers**
- **Career path from Direct Banker to Traditional Banker** and vice-versa through **Fideuram Campus Academy**

… to further increase Private Banking Division customer base



3 AI program at scale with strong benefits for the Group

AIXELERATION

Dedicated program to adopt AI at scale…

Holistic impact

- **Group-wide adoption of AI** through the development of **AI use cases favoring**:
  - **Better commercial effectiveness** (e.g., next best products, target prospecting, churn reduction)
  - **Operational efficiency** (e.g., chatbot, controls)
  - **Strengthened Risk management** (e.g., cyber fraud, AML) and **ESG** (e.g., Real Estate management)

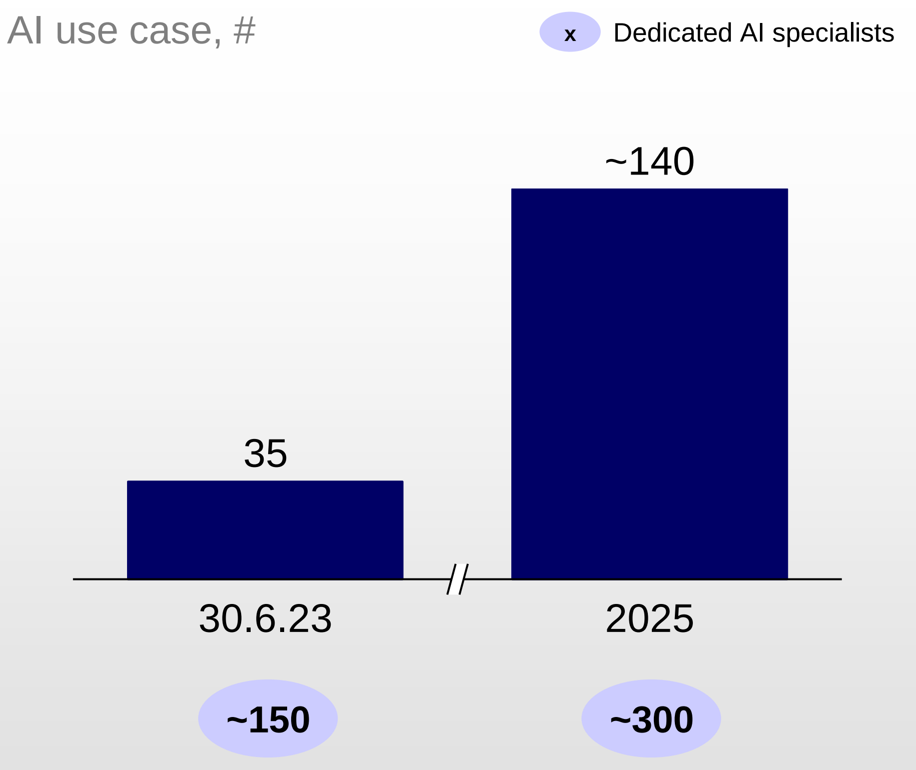
Partnerships and agreements

- **Skills and solutions sourcing with:**
  - **Third-party agreements** (e.g., Google)
  - **Partnerships with Academia** (e.g., Normale di Pisa, London City University & Fujitsu Laboratory of Europe, ZHAW Zurich University of Applied Sciences, Bicocca University)
  - **CENTAI,** ISP research center for artificial intelligence

Responsible and effective adoption

- **Ethical principles** of responsible adoption through:
  - **Clear responsibility** of business owner and **guaranteed human presence** in the loop
  - Guardrail adoption ensures **data quality, fairness and explainability**
- >300 resources involved in **AI Project and Cloud Center of Excellence**
- Rationalised solutions/tools to **empower ISP People**

… with strong benefits for the Group

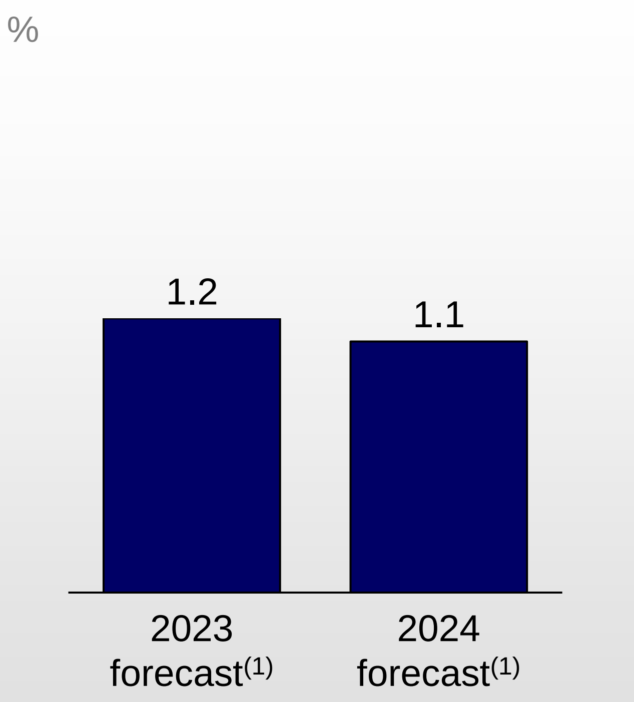


~€100m additional contribution to 2025 Gross income, not envisaged in the 2022-2025 Business Plan, not including potential upside from the adoption of generative AI solutions

Contents

The Italian economy is stronger than in the past and Italy's solid fundamentals support the resilience of the economy

Italian GDP YoY evolution



The Italian economy is resilient thanks to solid fundamentals

Households

- **Strong Italian household gross wealth** at more than €11,400bn, of which €5,200bn in financial assets, coupled with low household debt and debt-service ratios
- **Household debt to gross disposable income** at 61.1% in 1Q23, far lower than 92.1% in the Euro area
- **Less vulnerability to rising mortgage rates**: 63% of mortgages at fixed rates (vs ~20% before the financial crisis) and over 30% of floating-rate mortgages issued in 2022 had interest-rate caps
- **Outstanding deposits** at record highs, around 70% higher than 2008 and double the amount of outstanding loans

Corporates

- **Very resilient Italian SMEs**, **quickly recovering** after the COVID-19 emergency with historically-low default rates, high liquidity and improved financial leverage
- **Increased liquidity** with Deposits accounting for 61% of bank loans, in line with Germany and close to Euro area levels, up from 20% in the 2008-2013 period
- **Export-oriented companies** highly diversified in terms of industry and markets; Italian exports have outperformed Germany's by ~17% over the past 5 years(2)
- **Lower dependence on bank credit:** from 2011 to 2022, bank debt as a percentage of total financial debt fell from 67% to 52%

Italian Government and EU support

- **Extensive support to the economy from the Italian Government**, with measures worth a face value of 4.3% of GDP in 2021-2023, of which 1.2% of GDP (€25bn) in 2023

Banking system

- **The banking system** is **massively capitalised**, **highly liquid**, **strongly supporting households and companies** in overcoming the energy crisis, and **heavily engaged in the twin transition** (digital and green) of the Italian economy

- **Lower than expected energy prices** should further reduce Italian inflation in 2H23 and 2024
- **The unemployment rate fell** to 7.6% in May, its lowest level since 2009(3)
- In 2024, the **global recovery will also support external demand for Italian companies**
- The **stronger financial position** of Italian non-financial corporations and households enables them to **cope with higher interest rates**

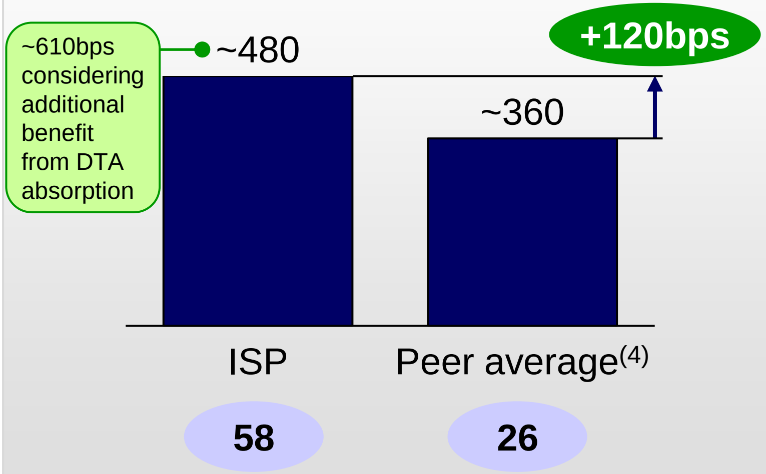
(1) Source: EU Commission, May 2023
(2) % change in April 2023 vs April 2018: Italy +35.4%, Germany +18.8%
(3) Excluding April 2020. May 2023 is the latest available data

ISP is far better equipped than its peers thanks to a best-in-class risk profile, rock-solid capital position and a well-diversified and resilient business model

Buffer vs requirements SREP + combined buffer[1]

bps, 30.6.23

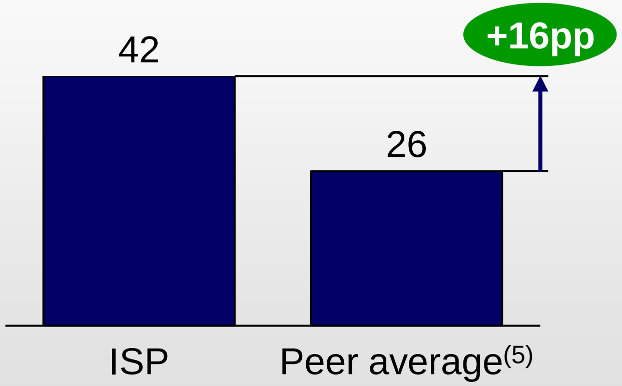
x Fully phased-in CET1[2]/Total illiquid assets[3], 30.6.23, %



Rock-solid capital base and best-in-class risk profile

Contribution of Net fees and commissions and Insurance income to Operating income

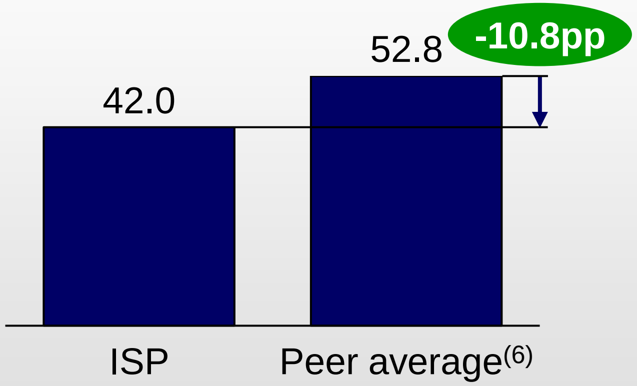
%, 1H23



Well-diversified and resilient business model

Cost/Income ratio

%, 1H23



High strategic flexibility to manage Costs also thanks to significant tech investments

Note: figures may not add up exactly due to rounding

(1) Calculated as the difference between the fully phased-in CET1 ratio, taking into account the share buyback approved by the ECB, vs requirements SREP + combined buffer considering all announced changes to macroprudential capital buffers and estimating the Countercyclical Capital Buffer

(2) Fully phased-in CET1. Sample: Barclays, BNP Paribas, Deutsche Bank, Lloyds Banking Group, Nordea, Santander and UniCredit (30.6.23 data); BBVA, Commerzbank, Crédit Agricole S.A., HSBC, ING Group, Société Générale, Standard Chartered and UBS (31.3.23 data)

(3) Total illiquid assets include net NPL stock, Level 2 assets and Level 3 assets. Sample: Barclays, BNP Paribas, Deutsche Bank, Lloyds Banking Group and Nordea (30.6.23 data); Santander and UniCredit (net NPL 30.6.23 data and Level 2 and Level 3 assets 31.12.22 data); UBS (31.3.23 data); BBVA, Commerzbank, Crédit Agricole S.A., HSBC, ING Group, Société Générale and Standard Chartered (net NPL 31.3.23 data and Level 2 and Level 3 assets 31.12.22 data)

(4) Sample: BNP Paribas, Deutsche Bank, Nordea, Santander and UniCredit (30.6.23 data); BBVA, Commerzbank, Crédit Agricole S.A, ING Group and Société Générale (31.3.23 data)

(5) Sample: Barclays, BNP Paribas, Deutsche Bank, Lloyds Banking Group, Nordea, Santander and UniCredit (30.6.23 data); BBVA, Commerzbank, HSBC, ING Group, Standard Chartered and UBS (31.3.23 data); Société Générale (31.12.22 data)

(6) Sample: Barclays, BNP Paribas, Deutsche Bank, Lloyds Banking Group, Nordea, Santander and UniCredit (30.6.23 data); BBVA, Commerzbank, Crédit Agricole S.A., HSBC, ING Group, Société Générale, Standard Chartered and UBS (31.3.23 data)

Delivering on our commitments and fully equipped for further success

The best six months ever

- **€4.2bn Net income in H1,** the best six months since 2007
- **€2.3bn Net income in Q2**, the best quarter since 2007
- **Best six months ever for Operating income, Operating margin and Gross income**
- **Q2 the best quarter ever** for **Operating income, Operating margin and Gross income**
- **The lowest-ever half-yearly Cost/Income ratio (42.0%)** with essentially stable Operating costs despite inflation and while making **significant tech investments**
- **Lowest-ever half-yearly Cost of risk (25bps annualised)** with NPL Coverage ratio increase (+4.2pp vs 1H22)
- Rock-solid capital position **with fully phased-in Common Equity ratio at 13.7%**
- **€3bn dividends already accrued in H1,** of which a minimum of **€2.45bn to be paid** in November as an **interim dividend**(1)

Fully equipped for further success thanks to a well-diversified and resilient business model

- Resilient **profitability**, rock-solid **capital position**, low **leverage** and strong **liquidity**
- **Zero-NPL Bank** with net NPL ratio at 1.0%(2), low Cost of risk and overlays
- **Well-diversified and resilient business model:** a Wealth Management, Protection & Advisory Leader with fully-owned product factories and ~€1.3 trillion in Customer financial assets
- **Strong momentum in Net interest income** with further growth expected in 2024 and in 2025
- Significant **tech investments**
- High **strategic flexibility in managing Costs**
- **Low and adequately** provisioned Russia exposure
- Strong, long-standing and cohesive **management team**

Execution of the 2022-2025 Business Plan proceeding at full speed, with key industrial initiatives well underway and isybank, our digital bank based on new Group tech infrastructure, launched in less than twelve months

(1) Relevant resolution from the Board of Directors to be defined on 3.11.23 when approving results as at 30.9.23
(2) According to EBA definition

Improved outlook for 2023: Net income well above €7bn

Solid growth in Revenues driven by Net interest income, coupled with a continuous focus on Cost management… → **… leading to significant Operating margin growth**

Strong decline in Loan loss provisions… → **… triggering Net income growth to well above €7bn**

- **Strong and sustainable value creation and distribution: 70% cash payout ratio**
- **€3bn dividends already accrued in H1, with a minimum of €2.45bn to be paid in November as an interim dividend(1)**
- **2023 dividend yield: at least ~11%(2)**
- **Any additional distribution to be evaluated year-by-year**
- **2024-2025 Net income to exceed 2023 Net income**

(1) Relevant resolution from the Board of Directors to be defined on 3.11.23 when approving results as at 30.9.23
(2) Based on ISP share price as at 27.7.23, well above €7bn 2023 Net income guidance and 70% payout. Subject to shareholders' approval

Contents

2022-2025 Business Plan proceeding at full speed

Our People are our most important asset

Massive upfront de-risking, slashing Cost of risk

- Massive NPL stock reduction and continuous preemption through a modular strategy
- A new credit decisioning model
- Proactive management of other risks

Structural Cost reduction, enabled by technology

- A new Digital Bank and footprint optimisation (isybank)
- Workforce renewal
- Smart real estate management
- Advanced Analytics-empowered Cost management
- IT efficiency

Growth in Commissions, driven by Wealth Management, Protection & Advisory

- Dedicated service model for Exclusive clients
- Strengthened leadership in Private Banking
- Continuous focus on fully-owned product factories (Asset management and Insurance)
- Further growth in payments business
- Double-down on Advisory for all Corporate clients
- Growth across International Subsidiary Banks businesses

Significant ESG commitment, with a world-class position in Social Impact and strong focus on climate

- Unparalleled support to address social needs
- Strong focus on financial inclusion
- Continuous commitment to culture
- Promoting innovation
- Accelerating on commitment to Net-Zero
- Supporting clients through the ESG/climate transition

100% of initiatives launched, of which >80% progressing ahead of schedule

Massive upfront de-risking, slashing Cost of risk

Key highlights

Massive upfront de-risking, slashing Cost of risk

- Massive deleveraging with €4.8bn gross NPL stock reduction in 2022-2Q23, reducing Net NPL ratio to 1%(1) and anticipating Business Plan target
- Focus on modular approach and sectorial forward looking – factoring in the macroeconomic scenario – and on proactive credit management
- Focus on dedicated Banca dei Territori Division action plan, with strong management of underlying Cost of risk, NPL inflows from Performing loans and new solutions for new needs arising in the current scenario
- Enhanced risk management capabilities: comprehensive and robust Risk Appetite Framework encompasses all the key risk dimensions of the Group
- Credit assessment capabilities further strengthened with the introduction of a Sectorial Framework which assesses the forward-looking profile of each economic sector on a quarterly basis across different countries. The sectorial view, approved by a specific management committee, feeds all the credit processes in order to prioritise credit decisions and action plans
- Cybersecurity anti-fraud protection extended to new products and services for retail customers, including the use of Artificial Intelligence; adoption of Open Source Intelligence solutions to empower cyber threat intelligence capability
- Enhanced protection of both the remote access to company applications and the access to corporate workstations enabling multi-factor authentication, and at the same time improving user experiences through frictionless processes
- Enhanced protection from cyber-attacks in terms of detection/recovery and improved internal awareness of cyber-attacks (e.g. phishing)
- Further enhanced security levels of digital services (including isybank , our new digital bank) also through the adoption of advanced solutions and technologies for the remote biometric recognition of users, improving the user experience
- Set up of the Anti Financial Crime (AFC) Digital Hub, aimed at becoming a national and international centre open to other financial institutions and intermediaries in the system, with the goal of combating money laundering and terrorism through new technologies and Artificial Intelligence, based on a public-private collaboration model which enables the introduction of innovation (applied research) in business processes
- Set up of the new AFC model based on an international platform and competence centres specialised in Transaction Monitoring and Know Your Customers
- The Active Credit Portfolio Steering (ACPS) unit continued expanding the credit risk hedging schemes to optimise capital absorption. In 2Q23, finalised two new synthetic securitisations for a total of ~€4.4bn on a USD corporate loan portfolio and on a new loan portfolio to support the sustainability and development plan of Italian SMEs. At the end of 2Q23, the outstanding volume of synthetic securitisation transactions, included in the GARC Program (Active Credit Risk Management), was equal to ~€26.4bn
- The ACPS unit also strengthened the capital efficiency initiatives and extended the scope of Credit Strategy application, shifting €20bn of new lending in 2022 and ~€8.7bn in 1H23 to more sustainable economic sectors with the best risk/return profile
- Winner of the "Innovation of the Year" category in SCI's(2) ESG Securitisation Awards for applying proprietary ESG Scoring model to its risk transfer transactions
- Scale up of the Originate-to-share business model, increasing the distribution capabilities to optimise the return on capital

(1) According to EBA definition
(2) Structured Credit Investor is a leading financial information provider focusing on the global securitisation markets

Structural Cost reduction, enabled by technology

Key highlights

Structural Cost reduction, enabled by technology

- isytech already operational with ~390 dedicated specialists, contract with Thought Machine finalised and technological masterplan defined. Defined the isybank offering structure and functionalities
- New head of isybank , new head of isytech and new head of Sales & Marketing Digital Retail hired and operational
- Completed isybank Family&Friends initiative with the involvement of ISP People and selected external "friends"
- Commercial launch of isybank on 15.6.23 and release of the App on iOS and Android stores; go live of the new official isybank showcase website
- Defined the plan for the business unit transfer from ISP to isybank
- Insourcing of core capabilities in IT ongoing with ~950 people already hired
- AI Lab in Turin already operating (setup of Centai Institute)
- ~790 branches closed since 4Q21 in light of isybank launch
- Digital platform for analytical cost management up and running, with 33 efficiency initiatives already identified
- Implemented the tools to support the negotiation and scouting activities of potential suppliers and started the program of procurement analytics
- Rationalisation of real estate in Italy in progress, with a reduction of ~425k sqm since 4Q21
- ~3,300 voluntary exits(1) in 2022 and 1H23
- Implementation of digital functions and services in Serbia, Hungary and Romania completed. Implementation ongoing in Slovakia: roll-out phase started in June with gradual releases on a monthly basis until September
- Go-live of the new core banking system in Egypt and alignment of digital channels
- Ongoing activities to progressively release applications for the target platform in the remaining countries of the International Subsidiary Banks Division
- Digital Process Transformation: processes identified and activated E2E transformation activities (especially involving procurement processes, customer onboarding, hereditary succession process management, bank account closing process and control management processes). The E2E transformation activities will leverage both on Process Intelligent Automation (e.g. with Artificial Intelligence and/or Robotic Process Automation) and traditional reengineering methods
- In line with the SkyRocket plan, the new Cloud Region in Turin is fully operational (in addition to the Milan Cloud Region made available in June 2022) and has enabled isybank launch with an entirely Italy-based infrastructure (including disaster recovery)

The Intesa Sanpaolo Mobile app was recognised by Forrester as the "Global Mobile Banking Apps Leader" ranking first worldwide among all banking apps evaluated

(1) Referring to the agreements already signed with Labour Unions

Growth in Commissions, driven by Wealth Management, Protection & Advisory (1/3)

Key highlights

Growth in Commissions, driven by Wealth Management, Protection & Advisory

- Launched Direct Advisory as part of our FIDEURAM DIRECT digital offering, allowing customers to build investment portfolios with the advisory of direct bankers operating remotely and supported by BlackRock's Aladdin Robo4Advisory platform. Direct Advisory completes the existing offer which also includes “Advanced Trading” (operating in over 50 cash and derivatives markets), and “In-Self Investments” (to operate independently on a selected set of sustainable funds and wealth management products created by Fideuram Asset Management). Alpian – the first Swiss private digital Bank – is fully operational as a mobile-only platform providing multi-currency, wealth management and financial advisory services with experienced consultants
- New dedicated service model for Exclusive clients fully implemented
- Enhancement of the product offering (new AM/Insurance products) and further growth of the advanced advisory service “Valore Insieme” for Affluent and Exclusive clients: ~27,600 new contracts and €8.7bn in Customer financial asset inflows in 1H23, also thanks to a new range of products introduced during 1H23
- Launched in March 2023 the first co-badge debit card in Italy (in eco-sustainable material), dedicated to business customers, equipped with a dual circuit (Bancomat®, PagoBancomat® and MasterCard or Visa) and Instant Issuing service that can be activated from the website and App; the Instant Issuing function was extended at the end of June to the sale of cards in branches and through remote offerings
- Introduction of new functionalities of Robo4Advisor by BlackRock to generate investment advice on selected products (funds, insurance products and certificates) to support relationship managers
- Adoption of the BlackRock Aladdin Wealth and Aladdin Risk platforms for investment services: Aladdin Wealth module for BdT and Fideuram (first and second release), Aladdin Risk and Aladdin Enterprise module for FAM/FAMI(1), ECSA/ESLJ (2), EC SGR (2), ECAL(2), EPSILON, EAM Croatia(2), EAM Hungary(2) and EAM Slovakia(2)
- New features for UHNWI(3) client advisory tools, strengthening of service model for family offices. Released the new We Add advanced advisory service for the Intesa Sanpaolo Private Banking network and the new Aladdin Robo4advisory functions for the Fideuram networks. The integration of ESG principles into the current advisory models is progressively evolving. Launched the process to define the new single divisional consultancy model, which will natively envisage the full integration of sustainability principles
- Completed the second closing of the alternative fund Art.8 Fideuram Alternative Investments Sustainable Private Markets and ongoing enrichment of the alternative funds offering from leading international players through partnerships with specialised platforms

(1) Fideuram Asset Management/Fideuram Asset Management Ireland
(2) Eurizon Capital SA/Eurizon SLJ Capital, Eurizon Capital SGR, Eurizon Capital Asia Limited, Eurizon Asset Management Croatia, Eurizon Asset Management Hungary, Eurizon Asset Management Slovakia
(3) Ultra High Net Worth Individuals

Growth in Commissions, driven by Wealth Management, Protection & Advisory (2/3)

Key highlights

Growth in Commissions, driven by Wealth Management, Protection & Advisory

- On 1.1.23 completed the merger of the two Private Banks in Luxembourg with the new Intesa Sanpaolo Wealth Management (ISWM) fully operational. Together with the Division's Swiss Hub, ISWM will contribute to the growth of fee income abroad
- Signed a strategic partnership with Man Group to create innovative investment opportunities for Fideuram-ISPB clients. Man Group will acquire 51% of Asteria Investment Managers SA, an ESG-oriented asset manager, currently 100% owned by REYL Intesa Sanpaolo. The partnership will focus on a broad range of alternative and strictly long-term investment strategies using cutting-edge technologies
- Enriched Eurizon offering dedicated to captive and third-party distributors and launched multiple new asset management and insurance products (e.g. dedicated offer for clients with excess liquidity, capital protection, protected mutual funds with predefined amount at maturity, PIR compliant mutual funds, thematic mutual funds, fixed income mutual funds). Eurizon acquired new traditional and private market mandates from institutional third parties
- Continued enhancement of ESG product offering for asset management and insurance, with a ~70%(1) penetration on total AUM
- Continued commitment of Eurizon to ESG training activities (towards distributors and in the academic field) and stewardship (activated Voting Disclosure Service on Eurizon website)
- Launched the new IMI C&IB organisational set-up, with a focus on strengthening client advisory activities and Originate-to-Share business
- Continued focus on origination and distribution activities in Italy and abroad, with acceleration of the Originate-to-Share model, also through the development of dedicated initiatives
- Launch of "Soluzione Domani", a commercial offer dedicated to senior customers (over 65 years old and family caregivers). The offer is focused on ad hoc solutions for Protection, Asset Management (with decumulation options and capital protection guarantees) and Financing, enriched with social welfare services
- Approved the purchase of 26.2% of Intesa Sanpaolo RBM Salute shares, anticipating the exercise of the two call options, initially set for 2026 and 2029
- InSalute Servizi, an Intesa Sanpaolo Insurance Division company, is becoming fully operational thanks to the contribution of a business unit by Blue Assistance (a Reale Group company), which includes a technological platform, a network of affiliated healthcare facilities, know-how and a team of specialised personnel. With this contribution, Blue Assistance has acquired a 35% stake in InSalute Servizi, the remaining 65% of which is held by Intesa Sanpaolo Vita
- Launched digital platform "IncentNow" for enterprises to provide information to Italian companies and institutions on the opportunities offered by public tenders related to the "Piano Nazionale di Ripresa e Resilienza"(2)
- Launched webinars and workshops with clients aimed at educating and sharing views on key topics (e.g. digital transition)

(1) Eurizon perimeter – funds and wealth management products pursuant to art. 8 and 9 SFDR 2019/2088
(2) National Recovery and Resilience Plan

Growth in Commissions, driven by Wealth Management, Protection & Advisory (3/3)

Key highlights

Growth in Commissions, driven by Wealth Management, Protection & Advisory

- Developed commercial initiatives to support clients in different sectors (e.g. Energy, TMT, Infrastructure) to optimise the incorporation of European and Italian post-pandemic recovery plans
- Launched the Group's first Private Debt Fund, a partnership between ISP and Eurizon Capital Real Assets (ECRA), to support the development of SMEs through innovative financial solutions supporting the real economy and sustainable transition processes
- Go live of Cardea, an innovative and digital platform for financial institutions
- Strengthening the corporate digital platform (Inbiz) in the EU with focus on Cash & Trade, leveraging the partnership approach with Fintechs
- Ongoing upgrade of Global Markets IT platforms (e.g. equity) and launched commercial activities to strengthen the equity business
- Launched an ESG value proposition initiative for the corporate and SME segments of Group banks in Slovakia, Hungary, Croatia, Serbia and Egypt. Identified priority sectors for which the definition of a commercial strategy aimed at improving the ESG offer is underway, in markets where the International Subsidiary Banks Division operates
- Ongoing development of synergies - in Global Market, Structured Finance and Investment Banking - between IMI C&IB and Group banks in Slovakia, Czech Republic, Hungary and Croatia with a significant increase in business and pipeline since the start of the Business Plan. Expansion in progress of the IMI C&IB Synergy Project to other markets
- ESG advisory to corporates to steer the energy transition through a scalable approach, with a focus on energy, infrastructure and the automotive & industrial sectors, also through supply chain agreements with specialised partners
- Finalised the Master Cooperation Agreement with a leading insurance group to distribute bancassurance products in Slovakia, Croatia, Hungary, Serbia and Slovenia and signed the Local Distribution Agreements
- Launched “Confirming” factoring product in five additional markets: Slovakia, Serbia, Romania, Slovenia and Albania
- Launched a project between the International Subsidiary Banks Division (ISBD) and the Banca dei Territori Division to further enhance cross-border business opportunities for mid-corporates operating in markets where foreign subsidiaries are present. In the first phase, the program involves the banks in Slovakia, Hungary, Romania, the Agribusiness Department and some Regional Governance Centres of Banca dei Territori. It will be progressively extended to other geographies and Regional Governance Centres
- Launched a project between the International Subsidiary Banks Division (ISBD) and the Private Banking Division for the definition and implementation of a new Service model for High Net Worth Individuals (HNWI) of ISBD, specifically tailored for entrepreneurs with advanced asset management needs

Significant ESG commitment, with a world-class position in Social Impact and strong focus on climate (1/4)

Unparalleled support to address social needs

- **Expanding food and shelter program for people in need** to counter poverty by providing concrete aid throughout the Italian territory and abroad supporting the humanitarian emergency in Ukraine. In 2022-1H23, more than **28.1 million interventions** carried out, providing ~21.9 million meals, more than 2.9 million dormitory spaces, ~3.1 million medicine prescriptions and over 278,400 articles of clothing
- **Employability**:
  - **"Giovani e Lavoro"** program aimed at **training and introducing more than 3,000 young people to the Italian labour market** in the 2022-2025 Business Plan horizon. **~5,150** students (aged 18-29) applied for the program in **1H23**: **more than 1,200** interviewed and **~550** trained/in-training through **24** courses (more than 3,500 trained/in-training since 2019). **Over 2,350** companies involved since its inception in 2019. **The third edition of the "Generation4Universities" program**, started in May**, involves 94 students, 36 universities** and **22 Italian corporations** as partners
  - The first three editions of "**Digital Re-start**" – a Private Banking Division program aimed at training and placing in the labour market unemployed people **aged 40-50** through the financing of 75 scholarships for the Master in **Data Analysis**, which trains professionals to analyse and manage data and information to support the decision-making process – were concluded in 1H23, involving 75 participants, of which 49 found new employment
- **Inequalities and educational inclusion:**
  - **Educational inclusion program: strengthened partnerships with main Italian universities and schools:** more than 450 schools and ~1,700 students involved in 1H23 to promote educational inclusion, supporting merit and social mobility (over 1,500 schools involved in 2022-1H23)
  - Launched in April 2023 **"Futura",** a new program promoted by Save the Children, Forum *Disuguaglianze e Diversità* and Yolk, with the collaboration of ISP, against female educational poverty, educational failure and early school leaving. The pilot project started and will run for two years in 3 territorial areas with socio-economic disadvantages. It will promote growth and autonomy paths through personalised training courses for 300 girls and young women, including 50 young mothers. More than 70 training courses already activated
- **Social housing**: enhancement of the Group's ongoing initiatives in terms of promoting housing units, also identifying some new partnerships with leading operators in the sector, to achieve the Business Plan targets (promotion of the development of 6k-8k units of social housing and student bed places)

Strong focus on financial inclusion

- Granted **€2.7bn** in **social lending** and **urban regeneration in 1H23** (~€12bn in 2022-1H23, €25bn cumulative flows announced in the Business Plan)
  - **Lending to the third sector**: in 1H23, granted loans supporting non-profit organisations for a total of **€133m** (€471m in 2022-1H23)
  - **Fund for Impact**: in 1H23, **€30m made available** to support the needs of people and families to ensure wider and more sustainable access to credit, with dedicated programs such as: **per Merito** (credit line without guarantees to be repaid in 30 years dedicated to university students, studying in Italy or abroad), **mamma@work** (loan to discourage new mothers from leaving work and supporting motherhood in the first years of life of the children), **per Crescere** (funds for the training and education of school-age children dedicated to fragile families), **per avere Cura** (lending to support families taking care of non self-sufficient people) and other solutions (e.g. **Obiettivo Pensione, per Esempio**)
  - **Lending for Urban Regeneration**: in 1H23, **committed €500m in new loans** to support investments in **housing, services and sustainable infrastructure**, in addition to the most important urban regeneration initiatives underway in Italy (more than €1.1bn in 2022-1H23)

Significant ESG commitment, with a world-class position in Social Impact and strong focus on climate (2/4)

Continuous commitment to culture

- ***Gallerie d'Italia***, the 4 venues of Intesa Sanpaolo's museum, in Milan, Naples, Turin and Vicenza. In 1H23:
  - over **400,000 visitors** (with free admission up to the age of 18)
  - **5 new exhibition projects** were inaugurated: in Milan "***Una collezione inattesa***" (featuring 20th century artworks owned by ISP); in Naples **"*Mario Schifano*"**; in Turin **"*JR-Déplacé.e.s*"** and **"*Mimmo Jodice*";** in Vicenza **"*EX Illustri Elena Xausa*"**
  - free inclusive and educational activities: **2,380 school workshops** (involving **54,780 students**); **285 courses** for fragile individuals (**4,050 participants); 570 tours and activities for adults and families** and **200 cultural initiatives** (**28,720** participants)
  - opening of **new dining and social areas**: Anthill cocktail bar in Naples, fine-dining restaurants 177 Toledo in Naples and Scatto in Turin
- **Partnerships:**
  - ISP is the main partner of **Bergamo Brescia Italian Capital of Culture 2023** (almost 5m visitors); support for the exhibition at ***Palazzo del Quirinale*** of the **Ministry of Culture** dedicated to the Bronzes of San Casciano
  - Shared projects with **Fondazione Compagnia di San Paolo, Fondazione Cariplo, Fondazione CR Firenze**, **Fondazione CR Forlì** and **Fondazione CR Pistoia e Pescia**
  - Support to **Miart** fair in **Milan**; **Archivissima** Festival, **Filarmonica Teatro Regio,** and **Polo del '900 in Turin** and to museums: **Castello di Rivoli, CAMERA in Turin**, **Pinacoteca di Brera** and **Museo Poldi Pezzoli** in **Milan, Fondazione Brescia Musei, Fondazione Palazzo Strozzi** in **Florence, Museo Archeologico Nazionale** and **Museo e Real Bosco di Capodimonte** in **Naples**
  - Promotion of books and reading: **Salone Internazionale del Libro di Torino**; **Napoli Città Libro; *Circolo dei Lettori*** in **Milan**; ***La Grande Invasione*** in **Ivrea**; ***Una Basilica di Libri*** in **Vicenza**
- **"*Restituzioni*":** organisation of the **20th edition** (2025) involving **115** works of art of the national heritage to be restored, **50 protection bodies under the Ministry of Culture**
- **Intesa Sanpaolo's Art Collection**: 288 artworks **on loan** to 49 exhibitions in Italy and abroad
- **Training and projects for young people in the art and culture professions:**
  - ***Gallerie d'Italia* Academy, 2 Advanced Training Courses:** the 3rd edition of the **Course in "Management of Artistic Cultural Heritage and Corporate Collections"** was completed (30 students, 8 scholarship holders); Launched the **Course "Naples-Florence - The Art of Exhibition-making"** (24 students)
  - **The Euploos Project continues** to digitalise works from the Uffizi Galleries-Cabinet of Drawings and Prints
  - Projects **in Turin** with students of design institutes (IED - Istituto Europeo di Design, IAAD- Istituto d'Arte Applicata and Design) and with Scuola Holden were concluded

Promoting innovation (1/2)

- **Innovation projects: 99 innovation projects released in 1H23 by Intesa Sanpaolo Innovation Center for a total of 300 released since 2022** (~800 innovation projects expected in the 2022-2025 Business Plan)
- **Initiatives for startup growth and the development of innovation ecosystems**:
  - **Turin:** ended the acceleration of the 10 startups selected for the 4th class of "**Torino Cities of the Future Accelerator**" program managed by Techstars. Since 2019, 45 accelerated startups (11 Italian teams), >50 proofs of concept and other contractual collaborations, >€80m capital raised and ~500 new resources hired
  - **Florence:** ended the acceleration of the 6 startups selected for the 2nd class of the three-year program "**Italian Lifestyle Acceleration Program**" managed by Nana Bianca; since launch in 2021, 12 Italian startups accelerated, >30 proofs of concept and other contractual collaborations, >€2m in capital raised
  - **Naples**: acceleration in progress of the 7 startups selected (>130 candidates) for the 2nd class of the three-year acceleration program on Bioeconomy **"Terra Next"** started in 2022, with Cassa Depositi e Prestiti, Cariplo Factory, local corporate and scientific partners and the patronage of Ministry of Environment and Energy Security. Since 2022, 8 startups accelerated, >20 proofs of concept and other contractual collaborations, ~€0.4m in capital raised and >20 new resources hired after acceleration
  - **Venice**: acceleration in progress of the 8 startups (>350 candidates) of the 1st class of the three-year program "**Argo**" (Hospitality and Tourism) sponsored by Banca dei Territori Division and Intesa Sanpaolo Innovation Center, developed by Cassa Depositi e Prestiti, LVenture and with the collaboration of Ministry of Tourism
  - Intesa Sanpaolo Innovation Center is supporting Banca dei Territori Division in the programs **"Next Age"** (focused on the Silver Economy) and **"Faros"** (on the Blue Economy), both promoted by Cassa Depositi e Prestiti
  - **In Action ESG Climate**, 2nd edition of the initiative developed by the Insurance Division with the support of Intesa Sanpaolo Innovation Center, for the development of new solutions to combat climate change and support the green transition through technological innovation and development of new business models. In July, awarded the four best projects presented (~140 candidates), with a total amount of ~€600k
  - **Up2Stars:** 2nd edition of the initiative aimed at 40 startups on four vertical pillars (Watertech; Renewable energy and energy efficiency; Artificial intelligence for business transformation; IoT, infrastructure and mobility). Completed the candidate selection for the 1st call on "Watertech", the acceleration process to be completed by September. Main numbers of the 1st edition: ~500 candidates, 40 startups accelerated

Significant ESG commitment, with a world-class position in Social Impact and strong focus on climate (3/4)

Promoting innovation (2/2)

- **Development of multi-disciplinary applied research projects:**
  - 10 projects in progress (8 in the neuroscience field and 2 in the AI and robotics field)
  - In 1H23, **launched 2 projects** and **completed 4 projects,** one of which in the neuroscience field focused on technostress and cognitive load that led to a training program available for all Group employees. This program was mentioned in "Top employees e-Book 2023". In addition, **2 patents** obtained (one in 2Q23) for industrial inventions in the field of artificial intelligence
- **Business transformation:** since 2022, 33 corporates involved in open innovation programs, of which 4 involved in projects focused on Circular Economy transformation (2 completed in 2022 and 2 in 1Q23). Completed 2 tech tours for corporates/startups in Tel Aviv (Smart Mobility Tech Tour) and in San Francisco (in connection with SMAU, at INNOVIT with the collaboration of ITA – Italian Trade Agency)
- **Diffusion of innovation mindset/culture:** in 1H23, 17 positioning and match making[(1)] events held (8 in 2Q23) with ~1,200 participants; since 2022, 49 events with ~3,300 participants. In 1H23, 6 innovation reports on technologies and trends released (21 since 2022), and contributed to the drafting of the 2023 White paper ***Valore Acqua per l'Italia*** with other partners, and to the 2nd "United Nations Environment Program - Finance Initiative" report
- **Neva SGR** in 1H23, ~€20m investments in startups (~€9m in 2Q23), >€74m since 2022. In 2022, successfully completed €250m fundraising for its Fondo Neva First (launched in 2020) and Fondo Neva First Italia (launched in 2021), and launched the *Fondo Sviluppo Ecosistemi di Innovazione* aimed at supporting the development of innovation ecosystems, raising €15m, with first investment in Tech4Planet, a tech transfer initiative in collaboration with CDP, Politecnico Milano, Politecnico Torino and Politecnico Bari and with the support of the Circular Economy Lab

Accelerating commitment to Net-Zero

- Following the Group's adherence to Net-Zero alliances (**NZBA, NZAMI, NZAOA and NZIA**)[(2)]:
  - In February 2022, interim 2030 targets set for 4 high-emitting sectors (Oil & Gas, Power Generation, Automotive and Coal Mining – over 60% of financed emissions for Non-financial Corporates in NZBA sectors as at 30.6.21) published in the 2022-2025 Business Plan; In April 2022, ISP's commitment to the SBTi validation was published on the SBTi website. The first annual reporting as at 31.12.22 on the 4 sectors' absolute financed emissions show a decrease of 60% compared to 2021 (see dedicated chapter in the 2022 TCFD report which also includes a high-level Transition Plan under the GFANZ[(3)] guidelines)
  - In October 2022, Eurizon Capital SGR, Fideuram Asset Management SGR, Fideuram Asset Management Ireland and the Intesa Sanpaolo Vita Insurance Group published their first interim targets[(4)]
- Ongoing **active engagement** (among others)**:**
  - Participation in **GFANZ[(3)], NZBA, NZAOA, NZIA, IIGCC[(5)]** workgroups/workstreams, with contribution to relevant publications and dedicated case studies. In 2Q23, the Insurance Division's participation in NZAOA working groups focused particularly on those dedicated to the development of new methodologies in government securities, reporting and engagement
  - Fideuram: the **individual** and **collective engagement** process was activated through the participation in the **Net Zero Engagement Initiative (NZEI)** and the second phase of **Climate Action 100+**
  - In June 2022, ISP became **an investor signatory of CDP**
  - In October 2022, Eurizon joined the **CDP Science-Based Targets Campaign**, promoting the environmental transparency of companies
- In November 2022, ISP was the only Italian Bank to participate at the COP27 in Sharm El Sheik
- Designed new group proposition in the voluntary carbon market, aimed at supporting clients in reducing gross CO_2 emissions, managing residual emissions and protecting and safeguarding forestland

(1) Positioning event: event in which a leading player illustrates innovation topics; match-making event: event which fosters a match between supply and demand of innovation
(2) In 4Q21 adhesion to Net-Zero Banking Alliance, Net-Zero Asset Managers Initiative, Net-Zero Asset Owner Alliance and Net-Zero Insurance Alliance
(3) Glasgow Financial Alliance for Net-Zero
(4) Please refer to https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/sostenibilt%C3%A0/comunicati-stampa/2022/PR_Obiettivi%20Net_Zero_wealth_management_Gruppo_ISP.pdf
(5) Institutional Investors' Group on Climate Change

EMARKET SDIR CERTIFIED

Significant ESG commitment, with a world-class position in Social Impact and strong focus on climate (4/4)

Supporting clients through the ESG/climate transition

- **~€37.6bn disbursed** in the period 2021-1H23 out of the €76bn in new lending available for the **green economy, circular economy and green transition** in relation to the "*2021-2026 Piano Nazionale di Ripresa e Resilienza*"(1)
- **~€0.7bn of Green Mortgages** in 1H23 (€3.3bn in 2022-1H23) out of the **€12bn** of new **Green lending to individuals** throughout the 2022-2025 Business Plan
- **€8bn circular economy credit facility** announced in the 2022-2025 Business Plan. In 1H23, 204 projects assessed and validated for an amount of >€6.6bn; granted ~€2.6bn for 112 transactions (of which €1.6bn related to green criteria) and €2.8bn disbursed, taking into account previously granted amounts (of which €2.5bn related to green criteria). Overall, since 2022, 624 projects assessed and validated for an amount of >€15.6bn, granted 342 transactions for an amount of >€7.3bn (of which €4.2bn related to green criteria), with €5.8bn disbursed taking into account projects previously agreed (of which €4.7bn related to green criteria). In April, updated the criteria for accessing the plafond in the circular framework, according to the criteria of the Ellen MacArthur Foundation, and for the green framework, in-line with Intesa Sanpaolo's Green, Social & Sustainability Bond Framework. The support activities envisaged in the partnership agreement with the Ellen MacArthur Foundation, and the Intesa Sanpaolo Innovation Center activities envisaged in the collaboration agreement with Cariplo Factory in the Circular Economy Lab area continue
- Activated **11 ESG Laboratories** (in Venice, Padua, Brescia, Bergamo, Cuneo, Bari-Taranto, Rome, Naples-Palermo and Milan), physical and virtual meeting points to support SMEs in approaching sustainability, and evolution of the advisory services offered by partners (e.g. Circularity, Nativa, CE Lab and others)
- Continued success of the **S-Loan** product range dedicated to SMEs to finance projects aimed at improving their sustainability profile (on 5 product lines: S-Loan ESG, S-Loan Diversity, S-Loan Climate Change; S-Loan Agribusiness and S-Loan Tourism). Disbursed ~€0.9bn in 1H23 (~€4.4bn since launch in July 2020)
- **Digital Loans** (D-Loans) aimed at improving the digitalisation of companies: €23m disbursed since launch in October 2021
- **Suite Loans** aimed at incentivising investments in the redevelopment/improvement of hotel facilities and accommodation services: €12m disbursed since launch in December 2021
- **Completed the implementation of the ESG/Climate evolution of the Non-Financial Corporate credit framework**, leveraging on ESG sectoral assessment and ESG sectoral strategy, ESG scoring at counterparty level and new guidelines on sustainable products; defined the methodology of analysis of the transition plan of Oil & Gas customers and gradual extension to other priority sectors
- Ongoing projects to verify the alignment of existing portfolios (mortgages, bonds, non-financial corporate lending) to the EU taxonomy criteria for the purpose of steering the Green Asset Ratio
- **ESG advisory to corporates** to steer the energy transition through a scalable approach, with a focus on energy, infrastructure and the automotive & industrial sectors
- Defined an ESG value proposition initiative for the corporate, SME and Retail segments in all the banks of the International Subsidiary Banks Division(2)
- Enhancement of **ESG investment products** for asset management with penetration increasing to ~70% of total AuM(3); increase in investment options (art. 8 and 9 of SFDR) underlying the insurance products available to customers to ~75% (1H23)
- Continuous commitment to Stewardship activities: in 1H23, Eurizon Capital SGR took part in 1,123 shareholders' meetings (of which 93% are issuers listed abroad) and 292 engagements (of which 46% on ESG issues)
- **Fideuram Advisory model** revised to incorporate ESG principles into need-based financial planning and a comprehensive **ESG certification training program** launched for financial advisors (more than 38,500 hours delivered to ~1,300 participants in 1H23) and for employed private bankers and agents (~3,800 hours delivered to ~800 participants in 1H23)

Reinforced ISP ESG governance, with the Risks Committee becoming the Risks and Sustainability Committee with enhanced ESG responsibilities since April 2022

(1) 2021-2026 National Recovery and Resilience Plan
(2) Excluding Moldova and Ukraine
(3) Eurizon perimeter – funds and AM products pursuant to art. 8 and 9 SFDR 2019/2088

Our People are our most important asset

Key highlights

Our People are our most important asset

- ~2,200 professionals hired since 2021
- ~3,000 people reskilled in 2022 and 1H23
- ~16.5m training hours delivered since 2022
- More than 200 talents have completed their development path as part of the International Talent Program, ongoing for other ~270 resources: 20 new talents have been selected and hired from the external market and started the Program in April 2023
- ~470 key people have been selected mostly among Middle Management for dedicated development and training initiatives
- A dedicated platform to foster employee well-being (physical, emotional, mental and social dimensions) with video content, podcasts, articles, tools and apps. Digital and on-site initiatives and events, corporate gyms, and Employee Assistance Program (psychological support service)
- Implemented the new Long-Term Incentive Plan to support the 2022-2025 Business Plan goals and foster individual entrepreneurship
- Completed the creation of the new leading education player in Italy through the combination between ISP Formazione and Digit'Ed, a Nextalia Fund company
- New organisational framework agreed with Trade Unions in May 2023, further improving flexibility in terms of daily work schedule and smart working while introducing the 4-day working week on a voluntary basis with no change in remuneration
- Defined and shared 2023 Diversity & Inclusion goals for every organisational unit, including the implementation of the new commitment related to equal gender access to senior leadership roles; monitoring of the 2023 goals for each Division and Governance Area launched; strengthened the collaboration with ISPROUD, the first employee-based community within the Group (currently more than 600 LGBTQ+ People and allies)
- ISP recognised in Refinitiv's Global Diversity and Inclusion Index 2022, as first European Bank, second worldwide, and the only one in Italy among the 100 most inclusive and diversity-focused workplaces. Intesa Sanpaolo was included for the sixth consecutive year in the Bloomberg Gender Equality Index (GEI) 2023, with a score of 87 points out of 100, marking an increase over last year's results. Intesa Sanpaolo is also the first major Italian banking group to obtain the certification for gender parity "Prassi di Riferimento (PDR) 125:2022" envisaged by the National Recovery and Resilience Plan (NRRP), thanks to its commitment to diversity and inclusion. A successful mid-term audit was performed to maintain GEEIS – Diversity Certification, achieved in 2021: appreciation for the results obtained was confirmed, with improvements in opinions regarding the application of the inclusion policy and practices for pay-equity, work-life balance, and the dissemination of an inclusive culture
- ISP recognised as Top Employer 2023(1) for the second consecutive year and received the Best Talent Acquisition Team prize in the 2023 LinkedIn Talent Awards

In 2022, €77m one-off contribution to ISP People to mitigate the impact from inflation

(1) By Top Employers Institute

1H23 Results

Detailed information

Key P&L and Balance sheet figures

€ m

	1H23
Operating income	12,398
Operating costs	(5,211)
Cost/Income ratio	42.0%
Operating margin	7,187
Gross income (loss)	6,744
Net income	4,222

	30.6.23
Loans to customers	437,497
Customer financial assets(1)	1,251,897
of which Direct deposits from banking business	554,407
of which Direct deposits from insurance business	174,122
of which Indirect customer deposits	693,217
- Assets under management	*437,839*
- Assets under administration	*255,378*
RWA	295,786
Total assets	955,205

Note: figures may not add up exactly due to rounding
(1) Net of duplications between Direct deposits and Indirect customer deposits

Contents

1H23 vs 1H22: €4.2bn Net income, the best six months since 2007

€ m

	1H22[1]	1H23	Δ%
Net interest income	4,049	6,838	68.9
Net fee and commission income	4,544	4,353	(4.2)
Income from insurance business	841	856	1.8
Profits on financial assets and liabilities at fair value	1,329	337	(74.6)
Other operating income (expenses)	(8)	14	n.m.
Operating income	**10,755**	**12,398**	**15.3**
Personnel expenses	(3,189)	(3,185)	(0.1)
Other administrative expenses	(1,352)	(1,375)	1.7
Adjustments to property, equipment and intangible assets	(623)	(651)	4.5
Operating costs	**(5,164)**	**(5,211)**	**0.9**
Operating margin	**5,591**	**7,187**	**28.5**
Net adjustments to loans	(1,432)	(556)	(61.2)
Net provisions and net impairment losses on other assets	(114)	(191)	67.5
Other income (expenses)	143	304	112.6
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**4,188**	**6,744**	**61.0**
Taxes on income	(1,475)	(2,084)	41.3
Charges (net of tax) for integration and exit incentives	(39)	(86)	120.5
Effect of purchase price allocation (net of tax)	(64)	(90)	40.6
Levies and other charges concerning the banking industry (net of tax)	(278)	(239)[2]	(14.0)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	14	(23)	n.m.
Net income	**2,346**	**4,222**	**80.0**

Note: figures may not add up exactly due to rounding
(1) Restated for the adoption of IFRS 17 and IFRS 9 by the Group's insurance companies
(2) Including the final contribution to the Resolution Fund: €323m pre-tax (€221m net of tax), our estimated commitment for the year

Q2 vs Q1: €2.3bn Net income, the best quarter since 2007

€ m

	1Q23	2Q23	Δ%
Net interest income	3,254	3,584	10.1
Net fee and commission income	2,137	2,216	3.7
Income from insurance business	397	459	15.6
Profits on financial assets and liabilities at fair value	262	75	(71.4)
Other operating income (expenses)	7	7	0.0
Operating income	**6,057**	**6,341**	**4.7**
Personnel expenses	(1,560)	(1,625)	4.2
Other administrative expenses	(644)	(731)	13.5
Adjustments to property, equipment and intangible assets	(332)	(319)	(3.9)
Operating costs	**(2,536)**	**(2,675)**	**5.5**
Operating margin	**3,521**	**3,666**	**4.1**
Net adjustments to loans	(189)	(367)	94.2
Net provisions and net impairment losses on other assets	(70)	(121)	72.9
Other income (expenses)	101	203	101.0
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**3,363**	**3,381**	**0.5**
Taxes on income	(1,084)	(1,000)	(7.7)
Charges (net of tax) for integration and exit incentives	(42)	(44)	4.8
Effect of purchase price allocation (net of tax)	(46)	(44)	(4.3)
Levies and other charges concerning the banking industry (net of tax)	(228)	(11)	(95.2)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(7)	(16)	128.6
Net income	**1,956**	**2,266**	**15.8**

Note: figures may not add up exactly due to rounding

Quarterly P&L

€ m

	1Q22[(1)]	2Q22[(1)]	3Q22[(1)]	4Q22[(1)]	1Q23	2Q23
Net interest income	1,957	2,092	2,387	3,064	3,254	3,584
Net fee and commission income	2,289	2,255	2,153	2,222	2,137	2,216
Income from insurance business	392	449	439	395	397	459
Profits on financial assets and liabilities at fair value	769	560	51	(2)	262	75
Other operating income (expenses)	4	(12)	(12)	(12)	7	7
Operating income	**5,411**	**5,344**	**5,018**	**5,667**	**6,057**	**6,341**
Personnel expenses	(1,576)	(1,613)	(1,632)	(1,921)	(1,560)	(1,625)
Other administrative expenses	(634)	(718)	(695)	(865)	(644)	(731)
Adjustments to property, equipment and intangible assets	(314)	(309)	(313)	(344)	(332)	(319)
Operating costs	**(2,524)**	**(2,640)**	**(2,640)**	**(3,130)**	**(2,536)**	**(2,675)**
Operating margin	**2,887**	**2,704**	**2,378**	**2,537**	**3,521**	**3,666**
Net adjustments to loans	(702)	(730)	(496)	(1,185)	(189)	(367)
Net provisions and net impairment losses on other assets	(52)	(62)	(42)	(114)	(70)	(121)
Other income (expenses)	(4)	147	4	55	101	203
Income (Loss) from discontinued operations	0	0	0	0	0	0
Gross income (loss)	**2,129**	**2,059**	**1,844**	**1,293**	**3,363**	**3,381**
Taxes on income	(776)	(699)	(560)	(45)	(1,084)	(1,000)
Charges (net of tax) for integration and exit incentives	(16)	(23)	(23)	(78)	(42)	(44)
Effect of purchase price allocation (net of tax)	(34)	(30)	(32)	(50)	(46)	(44)
Levies and other charges concerning the banking industry (net of tax)	(266)	(12)	(266)	(32)	(228)	(11)
Impairment (net of tax) of goodwill and other intangible assets	0	0	0	0	0	0
Minority interests	6	8	(6)	(12)	(7)	(16)
Net income	**1,043**	**1,303**	**957**	**1,076**	**1,956**	**2,266**

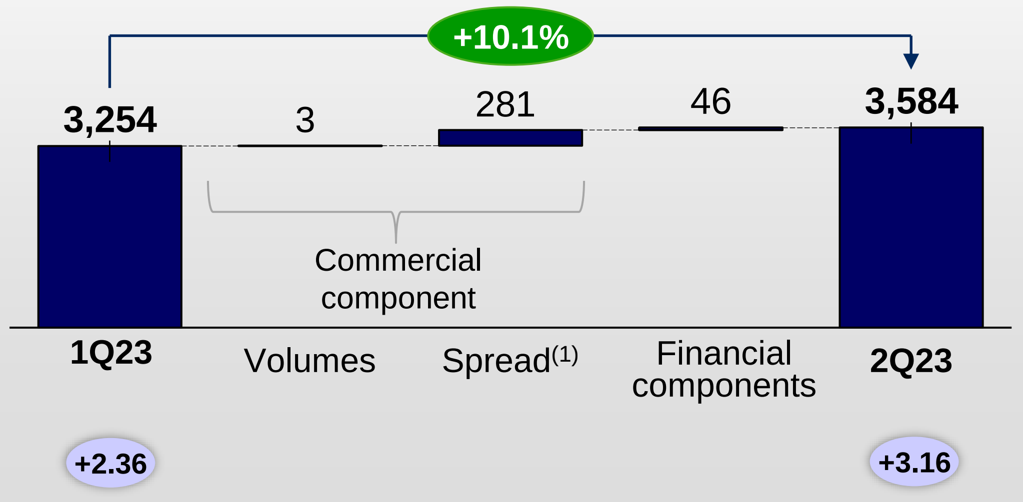
Note: figures may not add up exactly due to rounding
(1) Restated for the adoption of IFRS 17 and IFRS 9 by the Group's insurance companies

Net interest income: significant growth thanks to the commercial component

Quarterly analysis

€ m

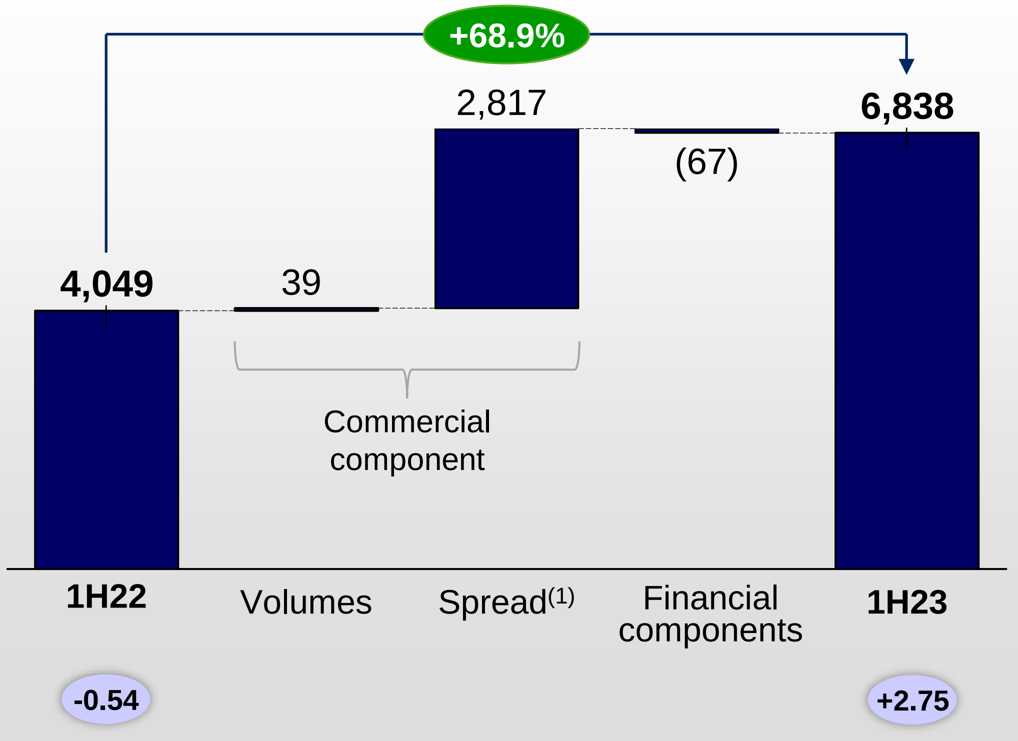
% Euribor 1M (average data)



Yearly analysis

€ m

% Euribor 1M (average data)



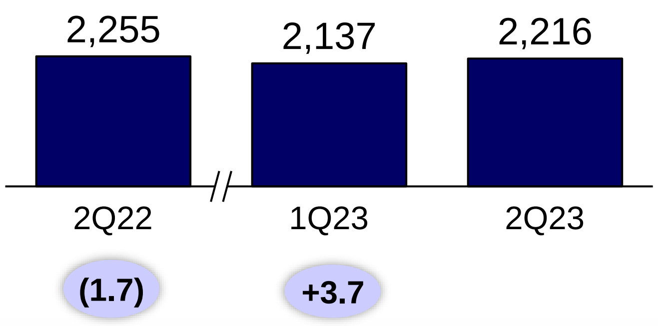
Note: figures may not add up exactly due to rounding
(1) Including hedging on core deposits

Net fee and commission income: recovery in Q2

Quarterly analysis

€ m

% Δ 2Q23 vs 2Q22 and 1Q23

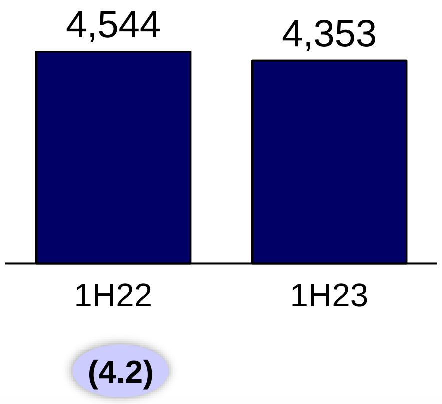


- **Commissions from Commercial banking activities up 5.0% (+€31m) vs Q1**
- **Increase in Commissions from Management, dealing and consultancy activities (+1.0%; +€9m) vs Q1**

Yearly analysis

€ m

% Δ 1H23 vs 1H22



- **Decline largely due to Commissions from Management, dealing and consultancy activities**

Net fee and commission income: quarterly development breakdown

€ m

Net fee and commission income	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23
Guarantees given / received	47	54	86	59	34	41
Collection and payment services	139	164	156	164	156	164
Current accounts	346	348	348	344	341	344
Credit and debit cards	83	108	114	109	94	107
Commercial banking activities	**615**	**674**	**704**	**676**	**625**	**656**
Dealing and placement of securities	228	153	134	167	230	193
Currency dealing	2	3	4	0	2	2
Portfolio management	704	676	660	670	614	641
Distribution of insurance products	403	421	357	406	396	403
Other	75	56	59	52	57	69
Management, dealing and consultancy activities	**1,412**	**1,309**	**1,214**	**1,295**	**1,299**	**1,308**
Other net fee and commission income	262	272	235	251	213	252
Net fee and commission income	**2,289**	**2,255**	**2,153**	**2,222**	**2,137**	**2,216**

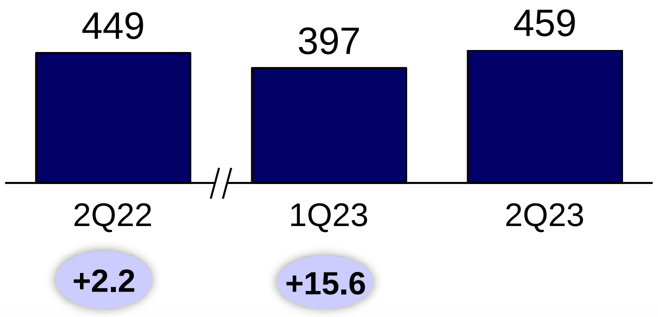
Note: figures may not add up exactly due to rounding

Income from insurance business: best quarter ever

Quarterly analysis

€ m

% Δ 2Q23 vs 2Q22 and 1Q23

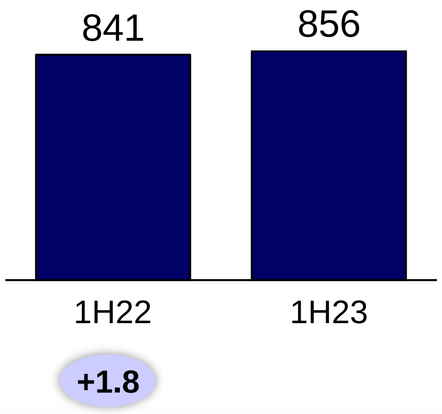


- Non-motor P&C revenues(1) up 16% to €130m vs 2Q22, €152m including credit-linked products

Yearly analysis

€ m

% Δ 1H23 vs 1H22



- Non-motor P&C revenues(1) up 15% to €264m, €307m including credit-linked products

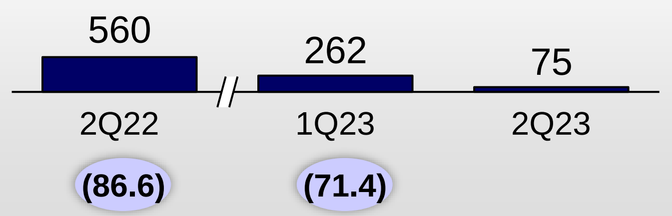
(1) Including Commissions

Profits on financial assets and liabilities at fair value

Quarterly analysis

€ m

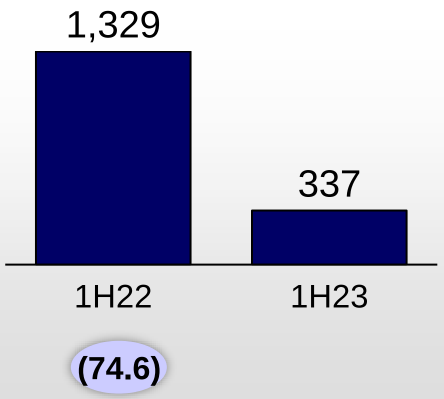
% Δ 2Q23 vs 2Q22 and 1Q23



Yearly analysis

€ m

% Δ 1H23 vs 1H22



Contributions by activity

	2Q22	1Q23	2Q23	1H22	1H23
Customers	**88**	**89**	**80**	**178**	**169**
Capital markets	**(78)**	**65**	**(68)**	**(89)**	**(3)**
Trading and Treasury	**568**	**107**	**63**	**1,262**	**170**
Structured credit products	**(18)**	**1**	**-**	**(22)**	**1**

Note: figures may not add up exactly due to rounding

Operating costs: essentially stable despite inflation and while investing in technology and growth

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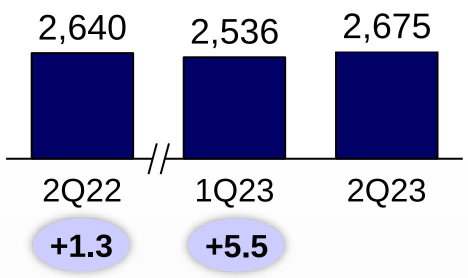
Quarterly analysis

% Δ 2Q23 vs 2Q22 and 1Q23

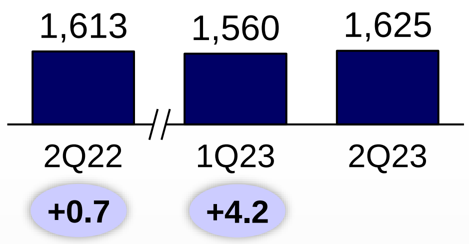
Operating costs

€ m



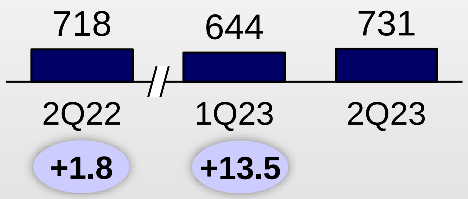
Personnel expenses

€ m



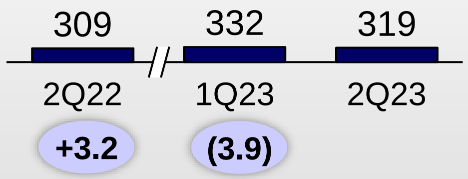
Other administrative expenses

€ m



Adjustments

€ m



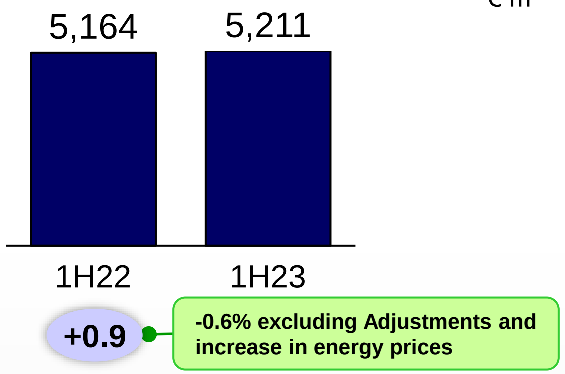
- **Other administrative expenses increase vs Q1 mainly due to seasonal effects**

Yearly analysis

% Δ 1H23 vs 1H22

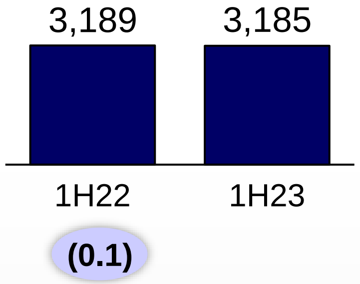
Operating costs

€ m



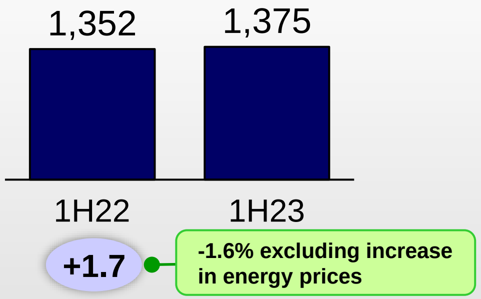
Personnel expenses

€ m



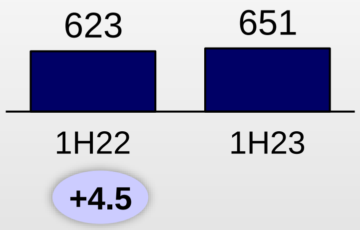
Other administrative expenses

€ m



Adjustments

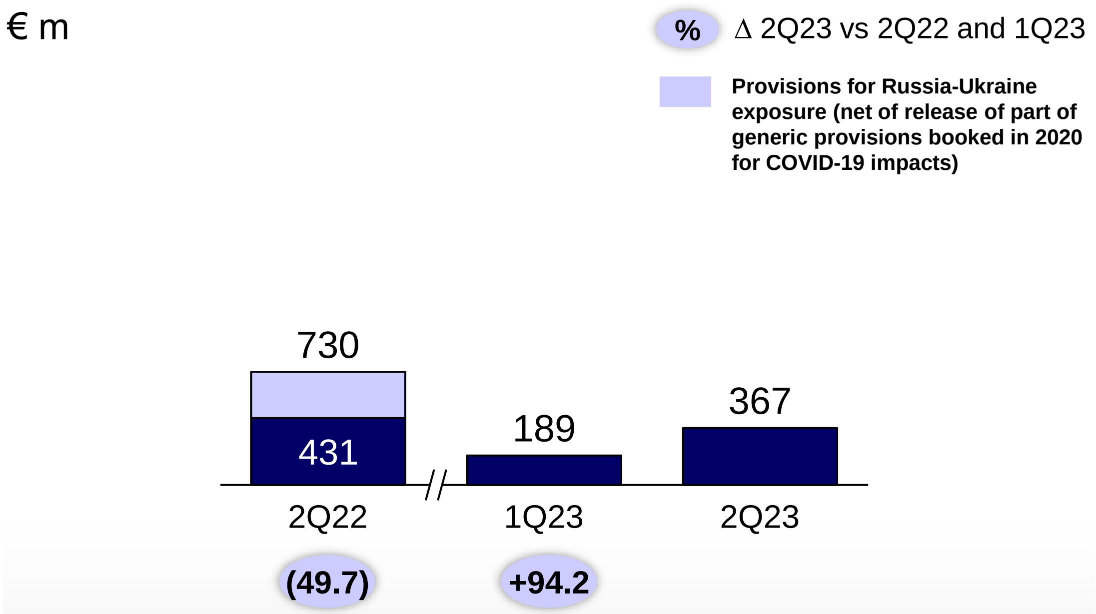
€ m



- **Lowest-ever half-yearly Cost/Income ratio, down to 42.0% (vs 48.0% in 1H22)**
- **Stable Personnel expenses with ~1,850 headcount reduction**
- **Adjustments up due to investments for growth (technology +8.6%), while rationalising real estate and other (-3.6%)**

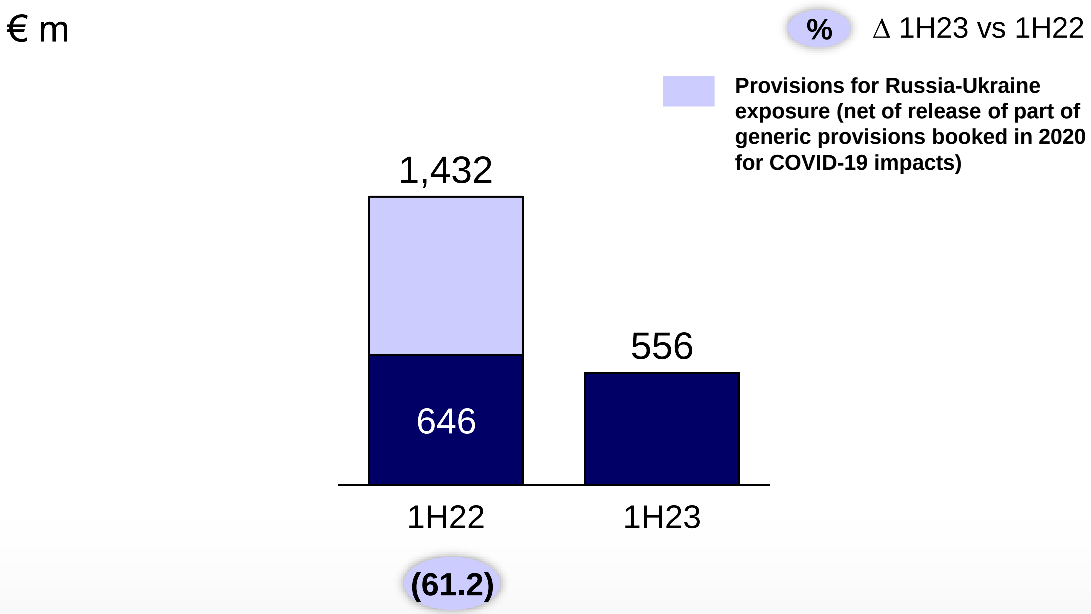
Net adjustments to loans: Cost of risk at historical low coupled with increased NPL coverage

Quarterly analysis



- Further reduction in NPL stock in 2Q23

Yearly analysis



- Low Cost of credit at 25bps annualised
- Increased NPL coverage (+4.2pp vs 30.6.22)
- Lowest-ever net NPL stock and ratio with NPL inflow at historical low

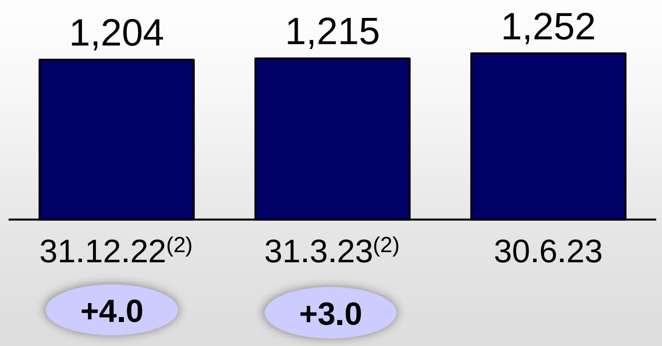
Contents

~€1.3 trillion in Customer financial assets, with a €37bn increase in Q2

% Δ 30.6.23 vs 31.12.22 and 31.3.23

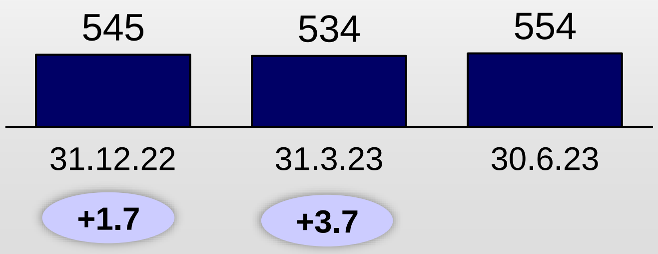
Customer financial assets[1]

€ bn



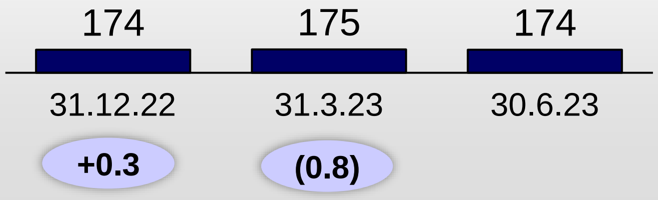
Direct deposits from banking business

€ bn



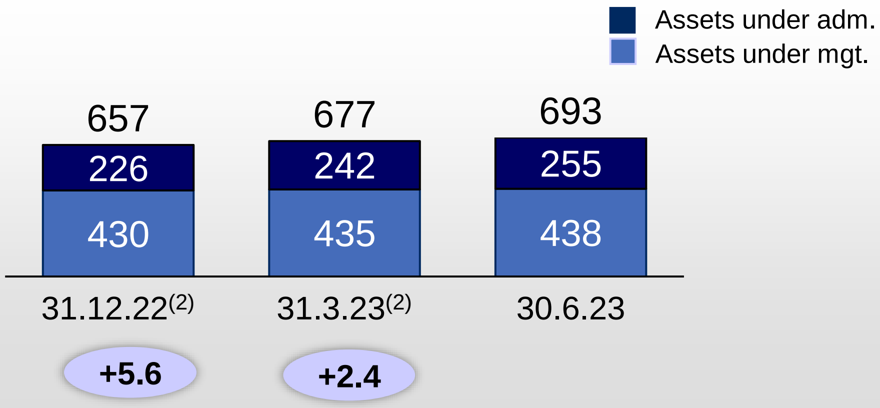
Direct deposits from insurance business

€ bn



Indirect customer deposits

€ bn

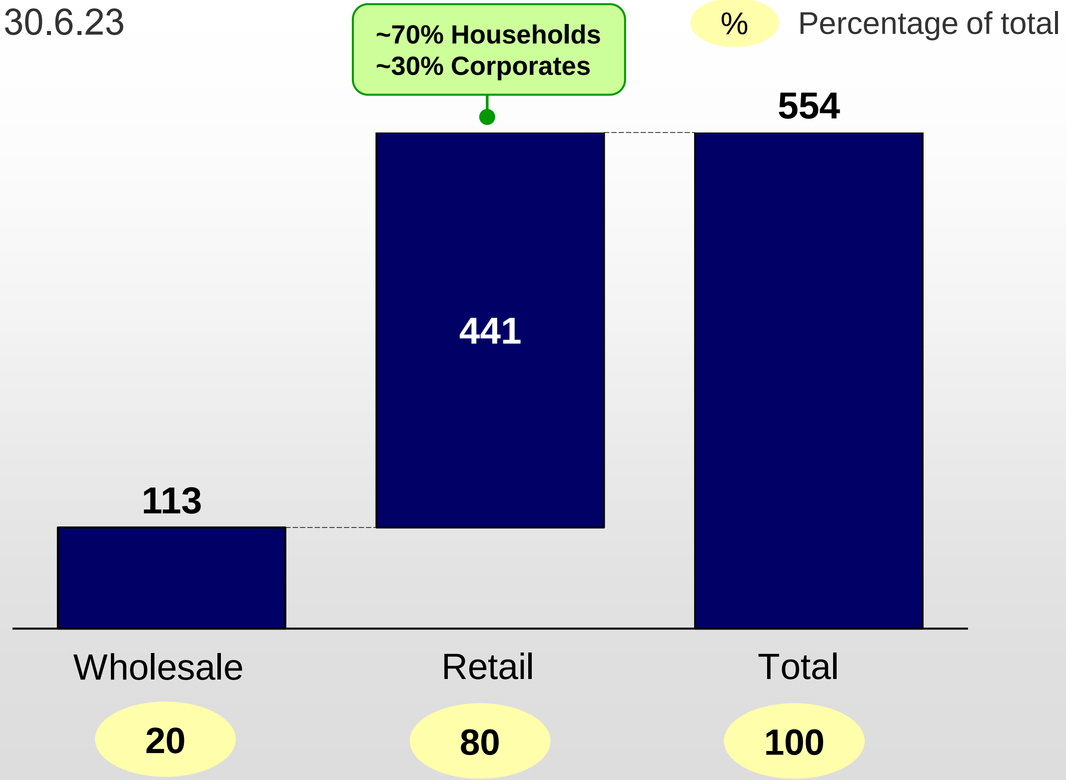


Note: figures may not add up exactly due to rounding
(1) Net of duplications between Direct deposits and Indirect customer deposits
(2) The amount for Indirect customer deposits has been restated, for the Assets under administration and in custody component, as a result of the delisting of shares, which, as they are no longer listed, are included at nominal value

Funding mix

Breakdown of Direct deposits from banking business

€ bn; 30.6.23



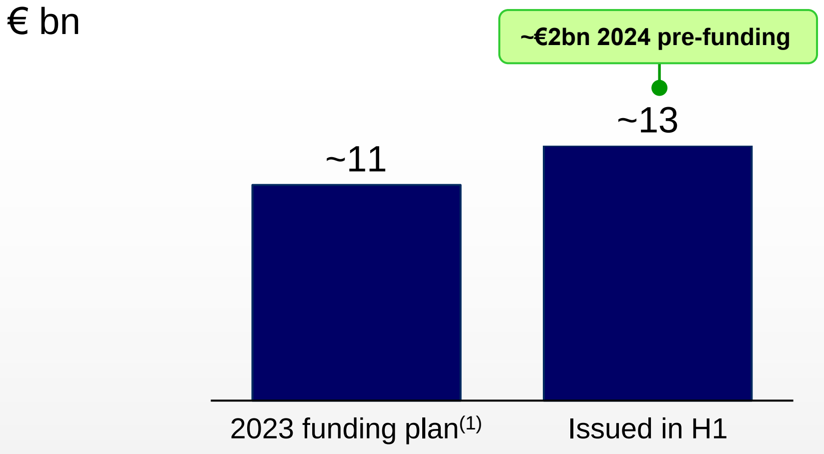
	Wholesale	Retail
Current accounts and deposits	13	389
Repos and securities lending	15	-
Senior bonds[(1)]	35	8
Covered bonds	25	-
Short-term institutional funding	14[(2)]	-
Subordinated liabilities	10	4 (Placed with Private Banking clients)
Other deposits	1	41[(3)]

- **Retail funding represents 80% of Direct deposits from banking business**
- **83% of Household deposits are guaranteed by the Deposit Guarantee Scheme (63% including Corporates)**
- **Very granular deposit base: average deposits ~€13k for Households (~19m clients) and ~€68k for Corporates (~1.8m clients)**

Note: figures may not add up exactly due to rounding
(1) Including Senior non-preferred
(2) Certificates of deposit + Commercial papers
(3) Including Certificates

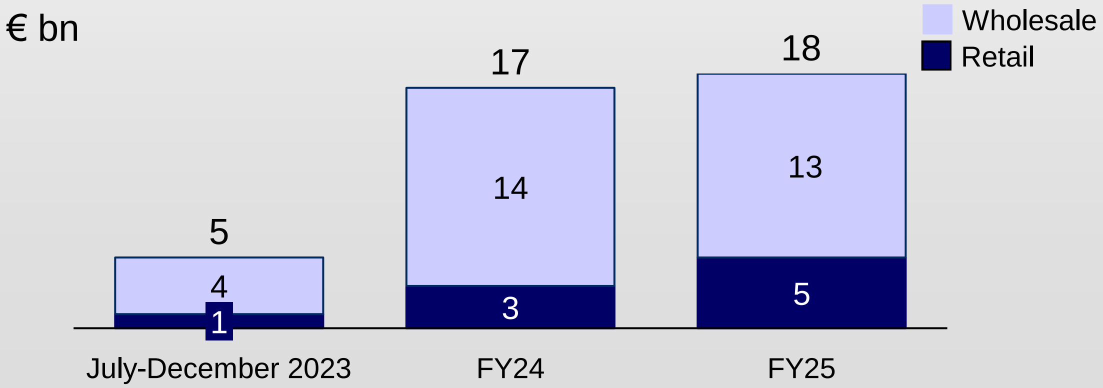
Strong funding capability: broad access to international markets

2023 MLT wholesale issues



2023 funding plan entirely executed in H1 with 2024 pre-funding already started

2023-2025 MLT maturities



Main wholesale issues

2022

- **€1bn AT1, €1bn green senior non-preferred, £400m Tier 2, €750m social senior preferred and dual tranche for a total of $2bn senior and senior non-preferred placed. On average 91% demand from foreign investors; orderbooks average oversubscription ~3.2x**

2023

- **€1bn Tier 2, €2.25bn dual-tranche green senior non-preferred, £600m green senior non-preferred, €1.5bn floating rate senior preferred, €2.25bn dual-tranche green senior preferred, £750m social senior preferred, $2.75bn dual-tranche senior and senior non-preferred and €1.25bn covered bond placed. On average 91% demand from foreign investors; orderbooks average oversubscription ~2.3x**
  - **February: €1bn 11NC6 Tier 2 issue, representing the return to the EUR T2 market after a more than 2-year absence, and €2.25bn dual-tranche green senior non-preferred: €1.5bn 5NC4 and €750m 10y, the largest-ever Italian green SNP transaction placed in the Euro market**
  - **March: inaugural £600m 6NC5 green SNP with the largest orderbook ever for a GBP deal issued by an Italian bank, and €1.5bn 2y FRN senior preferred issue**
  - **May: €2.25bn dual-tranche green senior preferred: €1bn 3y and €1.25bn 7y, which reopened the EUR public market for Italian banks after over 2 months, and £750m 10y social senior preferred, first ever GBP-denominated social bond issued by a non-UK bank**
  - **June: $2.75bn dual-tranche: $1.25bn 10y senior preferred and $1.5bn 31NC30 senior non-preferred, the largest transaction issued by ISP in over 10 years, and €1.25bn 5y covered bond**

Note: figures may not add up exactly due to rounding
(1) Funding mix and size could change according to market conditions and asset growth

High liquidity: LCR and NSFR well above regulatory requirements and Business Plan targets

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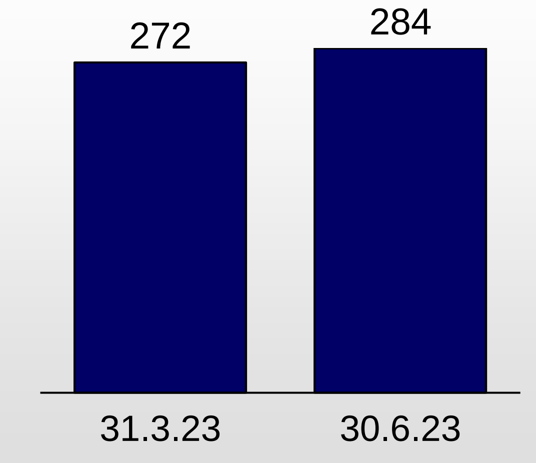
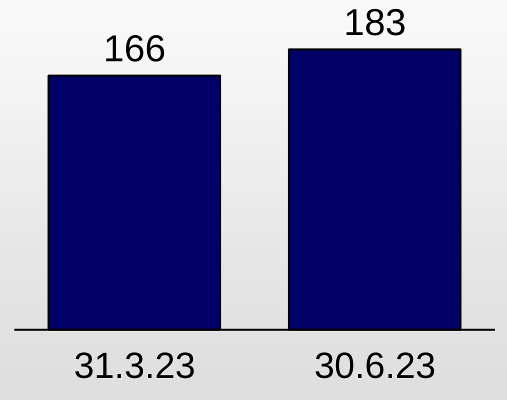
Liquid assets[(1)]

€ bn



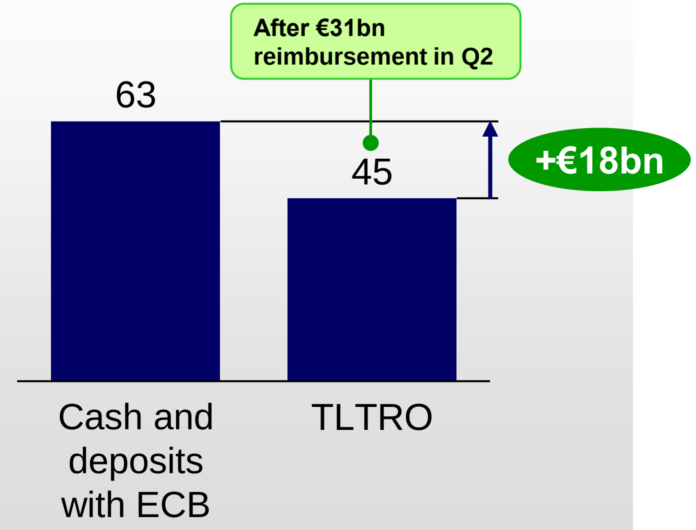
Unencumbered eligible assets with Central Banks[(2)] (net of haircuts)

€ bn



Cash and deposits with ECB vs TLTRO

€ bn, 30.6.23

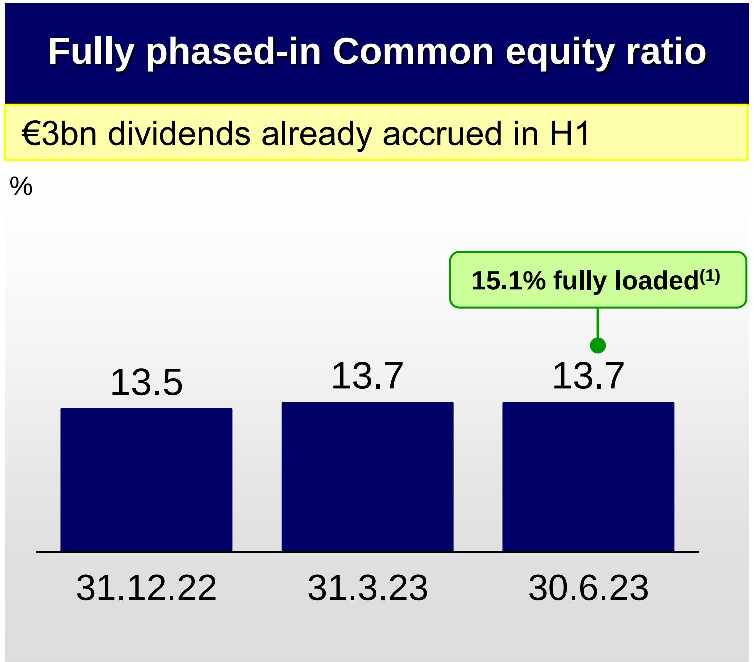


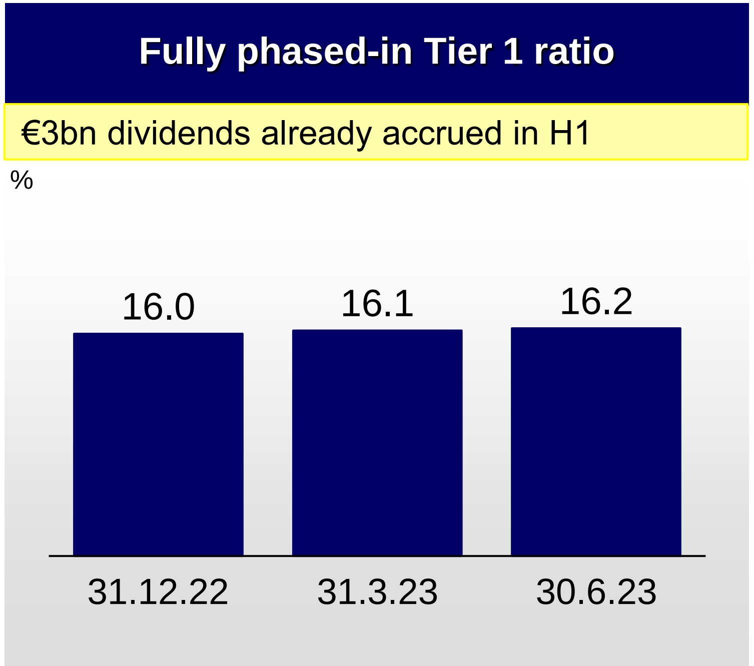
- **LCR at 171%[(3)] and NSFR at 126% (2025 Business Plan targets: ~125% and ~115% respectively)**
- **Refinancing operations with the ECB: ~€45bn consisting entirely of TLTRO III (TLTRO tranches: III.7: €36bn - maturity 27.3.24; III.8: €9bn - maturity 26.6.24; III.9: €60m - maturity 25.9.24)**
- **Loan to Deposit ratio[(4)] at 79%**

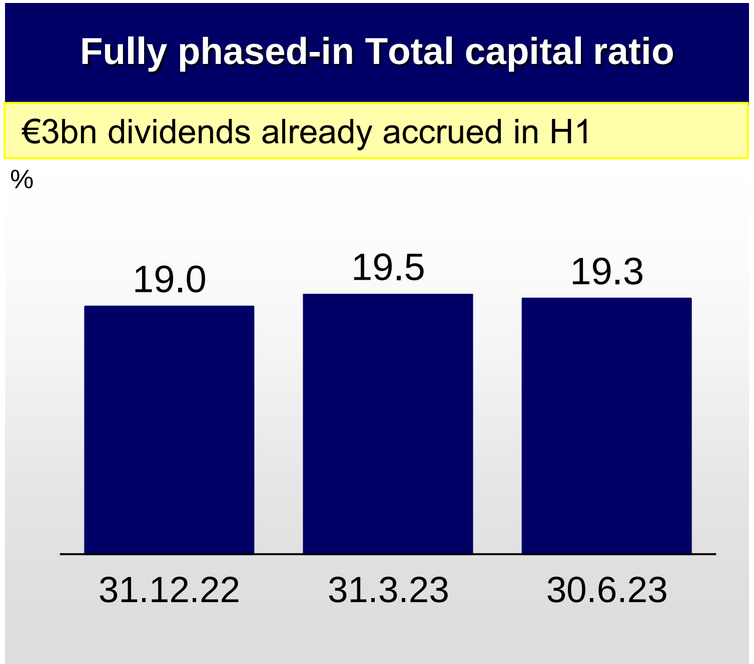
(1) Stock of own-account eligible assets (including assets used as collateral and excluding eligible assets received as collateral) and cash and deposits with Central Banks. As at 30.6.23 €172bn in HQLA
(2) Eligible assets freely available (excluding assets used as collateral and including eligible assets received as collateral) and cash and deposits with Central Banks. As at 30.6.23 €140bn in HQLA
(3) Last twelve-month average
(4) Loans to customers/Direct deposits from banking business

INTESA SANPAOLO

Rock-solid capital base, despite ~60bps impact from regulatory headwinds in H1







- **~120bps additional benefit from DTA absorption (of which ~30bps in the 3Q23-2025 horizon) not included in the fully phased-in CET1 ratio**
- **5.7%[2] leverage ratio**

(1) Pro-forma fully loaded Basel 3 (30.6.23 financial statements considering the total absorption of DTA related to IFRS 9 FTA (€0.9bn as at 30.6.23), DTA convertible in tax credit related to goodwill realignment (€4.8bn as at 30.6.23) and adjustments to loans (€2.2bn as at 30.6.23), DTA related to non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of operations of the two former Venetian banks (€0.04bn as at 30.6.23), as well as the expected absorption of DTA related to the combination with UBI Banca and to the new agreement with trade unions signed on 16.11.21 (€0.3bn as at 30.6.23) and DTA on losses carried forward (€2.3bn as at 30.6.23), and the expected distribution on 1H23 Net income of insurance companies)

(2) Including exposures with the ECB

Contents

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Non-performing loans: massive deleveraging

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

Gross NPL

€ bn	30.6.22	31.12.22	31.3.23	30.6.23
Bad loans	3.4	3.7	3.9	3.7
- of which forborne	*0.7*	*0.8*	*0.9*	*0.9*
Unlikely to pay	7.0	6.4	6.4	6.0
- of which forborne	*3.1*	*2.6*	*2.6*	*2.5*
Past due	0.7	0.6	0.5	0.7
- of which forborne	*0.1*	*-*	*0.1*	*0.1*
Total	**11.1**	**10.6**	**10.8**	**10.4**
Gross NPL ratio, %	2.3	2.3	2.4	2.3
Gross NPL ratio based on EBA definition, %	1.8	1.9	2.0	1.9

Net NPL

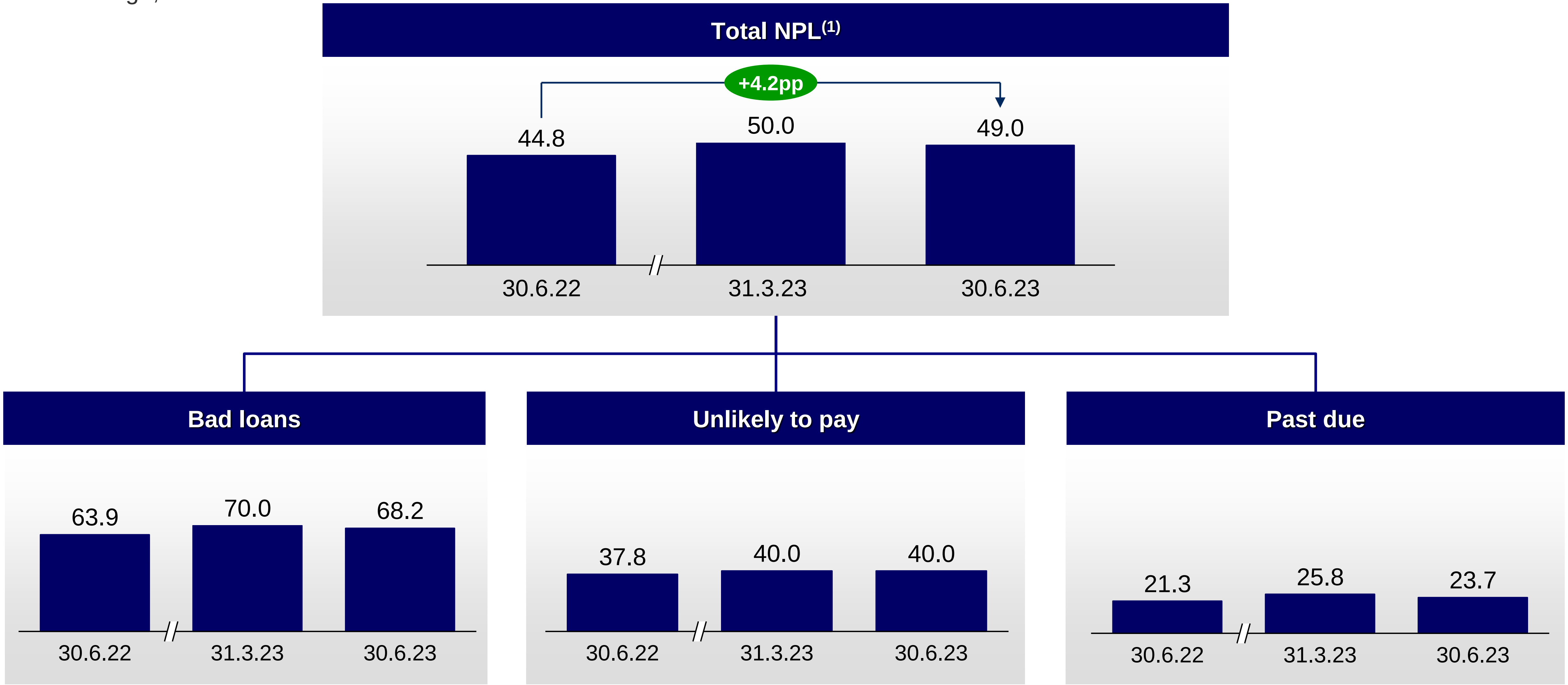
€ bn	30.6.22	31.12.22	31.3.23	30.6.23
Bad loans	1.2	1.1	1.2	1.2
- of which forborne	*0.3*	*0.3*	*0.3*	*0.3*
Unlikely to pay	4.4	4.0	3.8	3.6
- of which forborne	*2.1*	*1.7*	*1.7*	*1.6*
Past due	0.5	0.4	0.4	0.5
- of which forborne	*0.1*	*-*	*0.1*	*0.1*
Total	**6.2**	**5.5**	**5.4**	**5.3**
Net NPL ratio, %	1.3	1.2	1.2	1.2
Net NPL ratio based on EBA definition, %	1.0	1.0	1.0	1.0

Lowest-ever net NPL stock and ratio

Note: figures may not add up exactly due to rounding

Non-performing loans: sizeable and increased coverage vs 30.6.22

Cash coverage; %

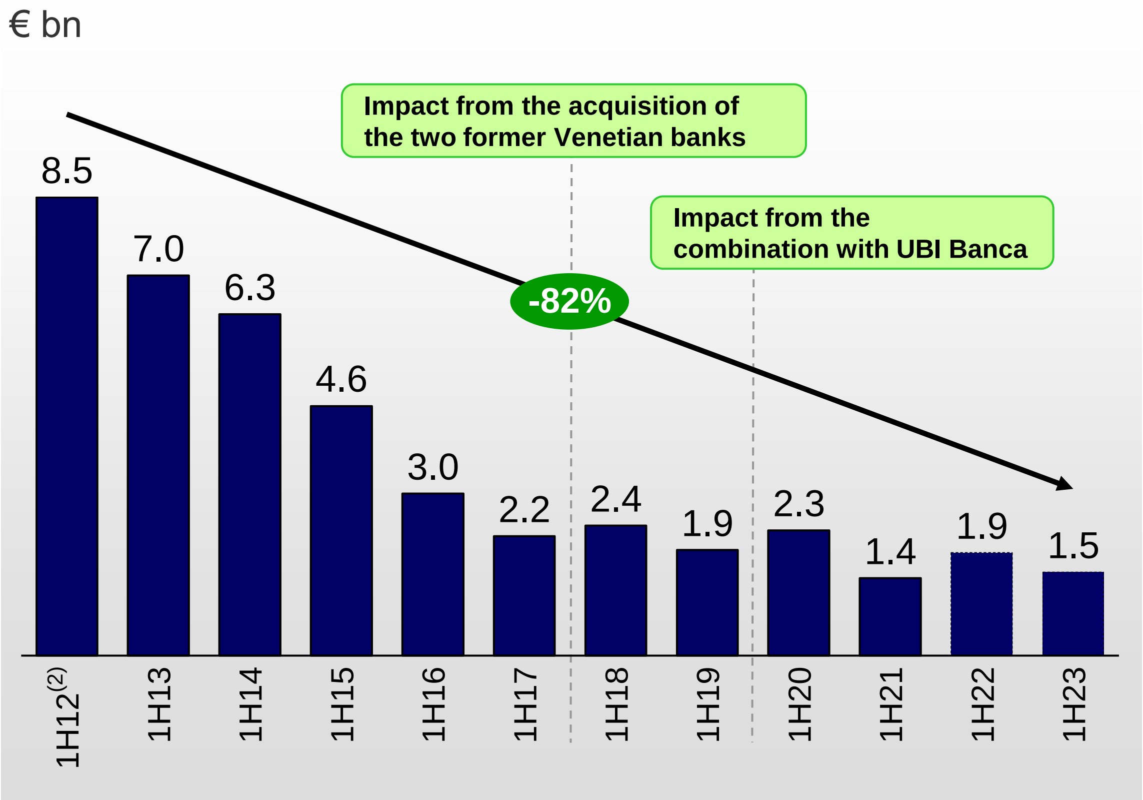


Note: figures may not add up exactly due to rounding

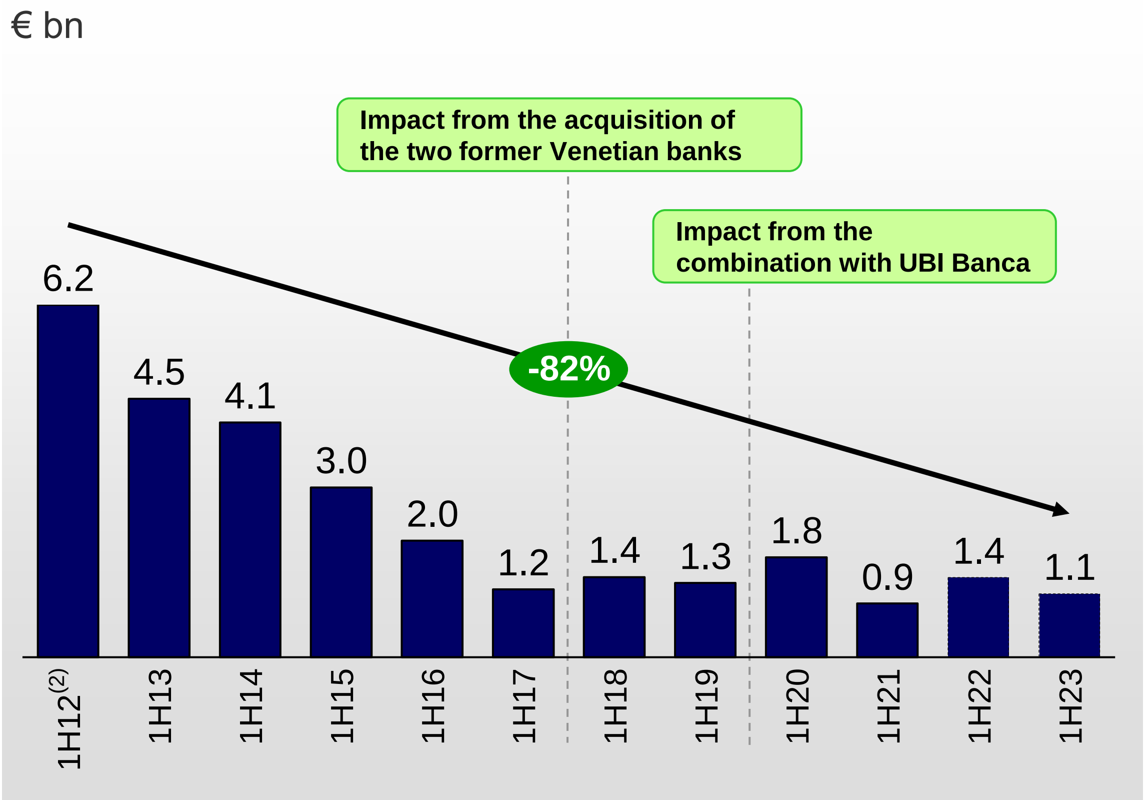
(1) Bad loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past due (*Scaduti e sconfinanti*)

Non-performing loans inflow: at historical low

Gross inflow of new NPL(1) from Performing loans



Net inflow of new NPL(1) from Performing loans

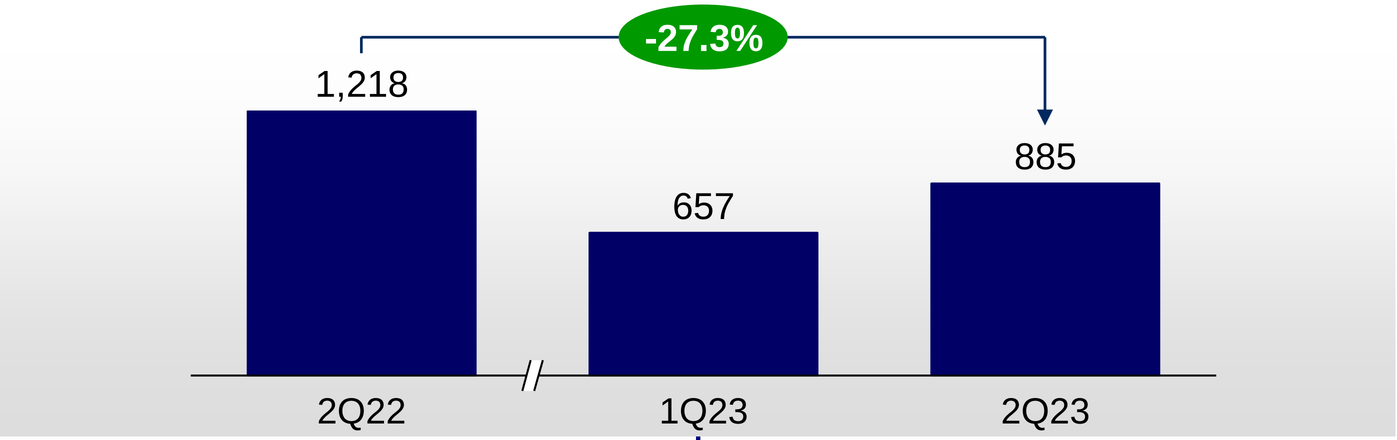


(1) Bad loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past due (*Scaduti e sconfinanti*)
(2) 2012 figures recalculated to take into consideration the regulatory changes to Past due classification criteria introduced by the Bank of Italy (90 days since 2012 vs 180 days up until 31.12.11)

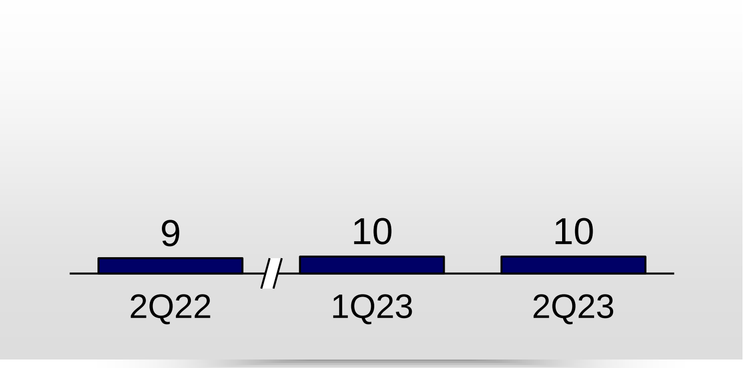
Non-performing loans gross inflow

€ m

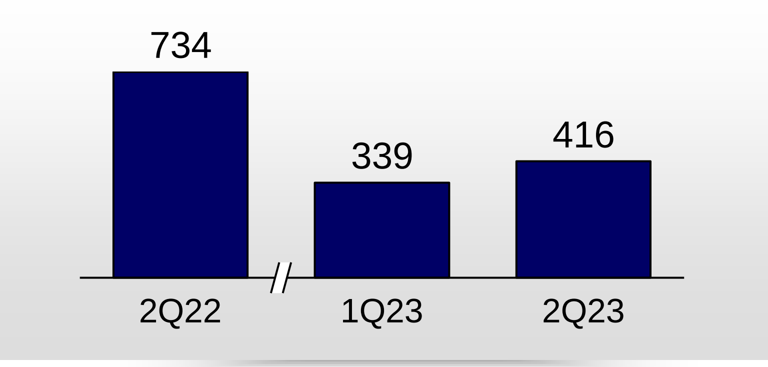
Gross inflow of new NPL[1] from Performing loans



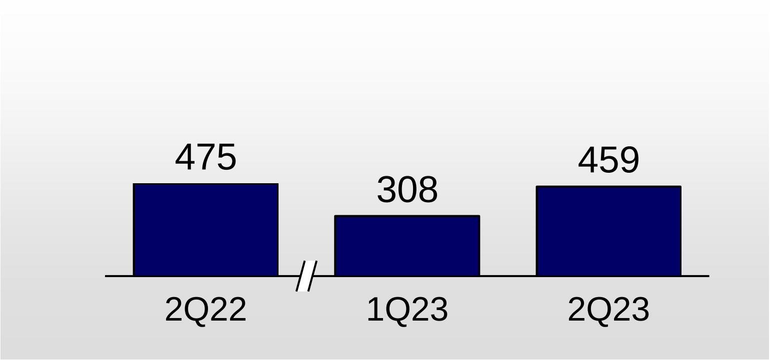
Bad loans



Unlikely to pay



Past due



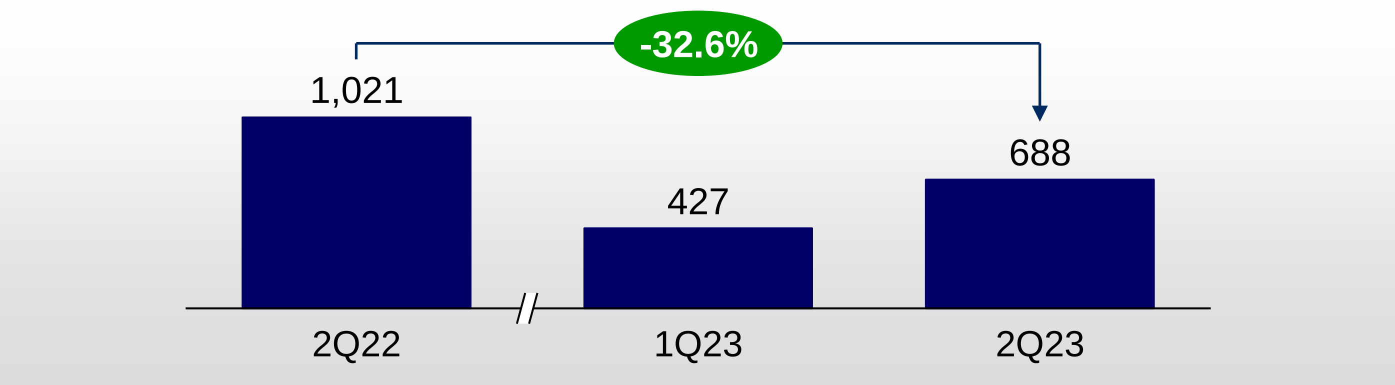
Note: figures may not add up exactly due to rounding

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

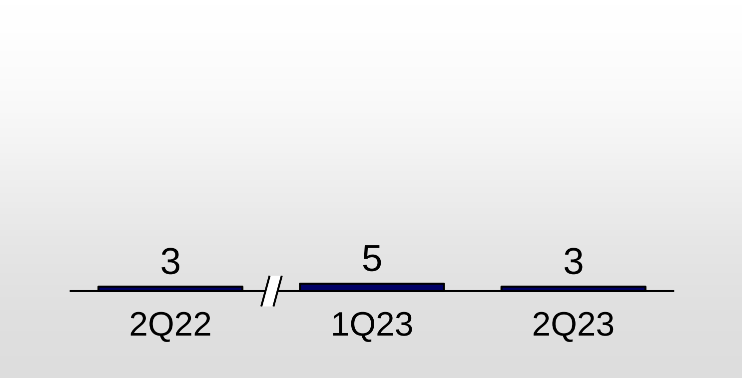
Non-performing loans net inflow

€ m

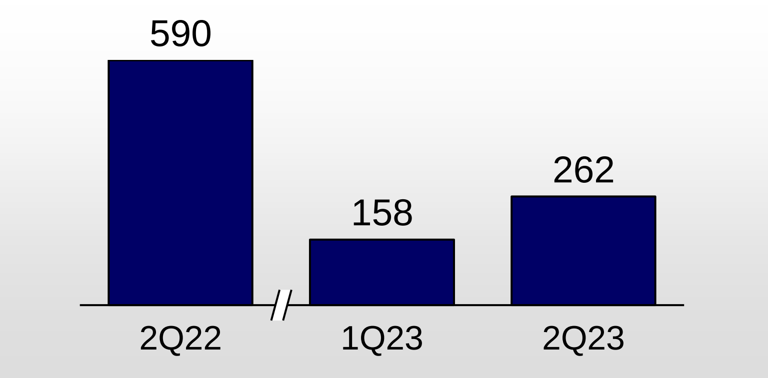
Net inflow of new NPL(1) from Performing loans



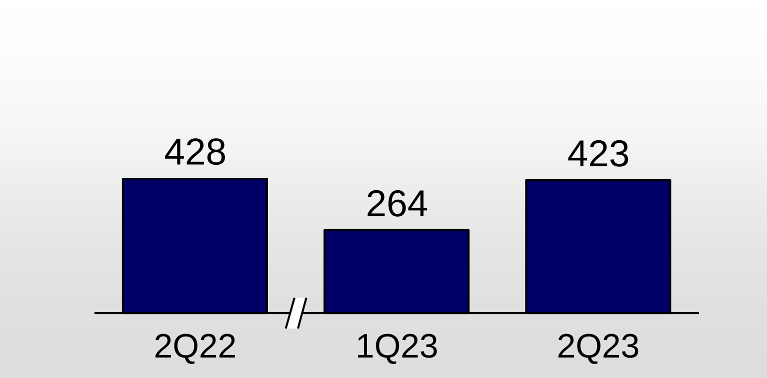
Bad loans



Unlikely to pay



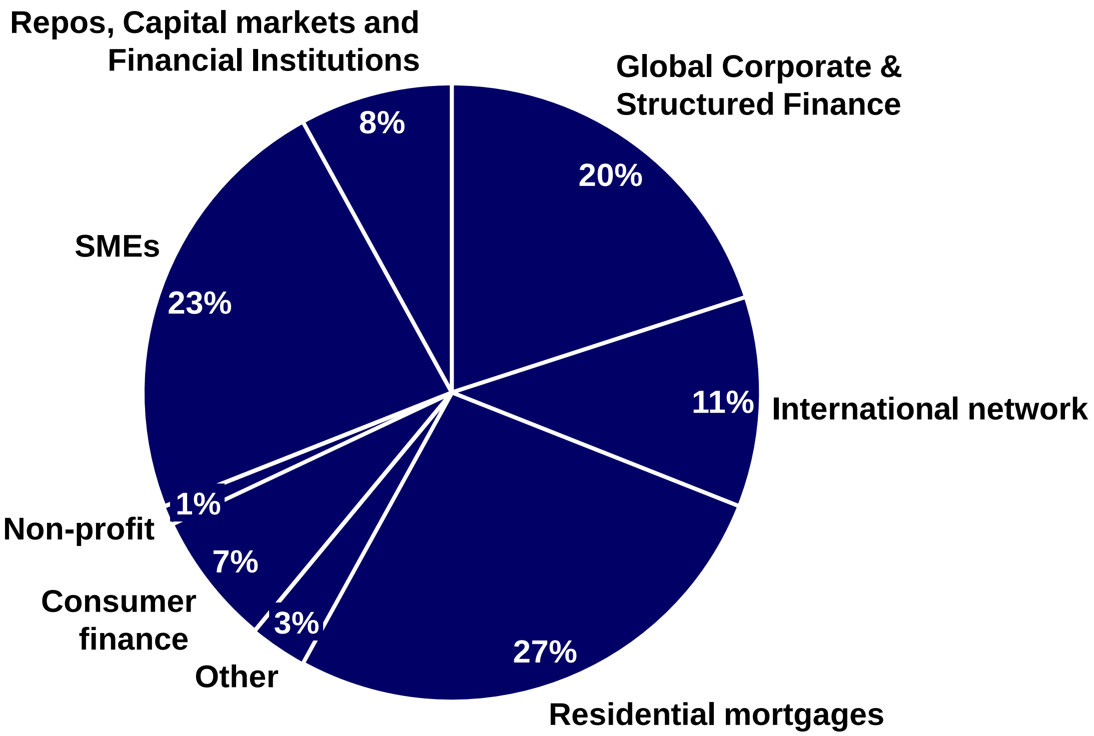
Past due



Note: figures may not add up exactly due to rounding
(1) Bad loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past due (*Scaduti e sconfinanti*)

Loans to customers: a well-diversified portfolio

Breakdown by business area (data as at 30.6.23)



- **Low risk profile of residential mortgage portfolio**
  - **Instalment/available income ratio at 31%**
  - **Average Loan-to-Value equal to ~59%**
  - **Original average maturity equal to ~24 years**
  - **Residual average life equal to ~19 years**

Non-retail loans of the Italian banks and companies of the Group Breakdown by economic business sector

	30.6.23
Public Administration	**5.1%**
Financial companies	**7.6%**
Non-financial companies	**43.1%**
of which:	
SERVICES	4.7%
UTILITIES	4.4%
DISTRIBUTION	3.3%
REAL ESTATE	3.2%
CONSTRUCTION AND MATERIALS FOR CONSTR.	3.0%
FOOD AND DRINK	2.6%
METALS AND METAL PRODUCTS	2.3%
FASHION	2.2%
INFRASTRUCTURE	2.1%
TRANSPORTATION MEANS	1.9%
ENERGY AND EXTRACTION	1.9%
MECHANICAL	1.8%
CHEMICALS, RUBBER AND PLASTICS	1.7%
TOURISM	1.7%
AGRICULTURE	1.6%
TRANSPORT	1.2%
ELECTRICAL COMPONENTS AND EQUIPMENT	0.9%
FURNITURE AND WHITE GOODS	0.8%
PHARMACEUTICAL	0.8%
MEDIA	0.5%
WOOD AND PAPER	0.4%
OTHER CONSUMPTION GOODS	0.2%

Note: figures may not add up exactly due to rounding

Russia exposure reduced to 0.2% of Group customer loans

€ bn, data as at 30.6.23

	Local presence Russia	Cross-border exposure to Russia[1]
Loans to customers (net of ECA guarantees and provisions)	0.1[2]	0.7
ECA[3] guarantees	-	0.8[4]
Due from banks (net of provisions)	0.6	0.04[5]
Bonds (net of writedowns)	0.01	n.m.[6]
Derivatives	n.m.	-
RWA	1.7	2.4
Total assets	1.4	n.a.
Intragroup funding	0.3	n.a.

Cross-border exposure to Russia almost entirely performing and classified as Stage 2

(1) Exposure to Russian counterparties included in the SDN lists of names to which sanctions apply is equal to only €0.35bn
(2) There is also an off-balance for Russia of €0.06bn (of which €0.04bn undrawn committed lines)
(3) Export Credit Agencies
(4) There are also Export Credit Agencies guarantees against an off-balance of €0.5bn (entirely against undrawn committed lines)
(5) There is also an off-balance of €0.1bn (no undrawn committed lines)
(6) Including insurance business (concerning policies where the total risk is not retained by the insured)

Contents

Divisional financial highlights

Data as at 30.6.23

	Divisions							
	Banca dei Territori	IMI Corporate & Investment Banking	International Subsidiary Banks(1)	Private Banking(2)	Asset Management(3)	Insurance(4)	Corporate Centre / Others(5)	Total
Operating income (€ m)	5,699	1,962	1,417	1,566	465	828	461	12,398
Operating margin (€ m)	2,623	1,257	868	1,097	354	657	331	7,187
Net income (€ m)	1,272	848	679	701	260	477	(15)	4,222
Cost/Income (%)	54.0	35.9	38.7	29.9	23.9	20.7	n.m.	42.0
RWA (€ bn)	78.8	108.5	35.7	12.3	1.8	0.0	58.7	295.8
Direct deposits from banking business (€ bn)	271.4	105.9	54.2	45.6	0.0	0.0	77.2	554.4
Loans to customers (€ bn)	240.4	131.3	41.1	14.6	0.2	0.0	9.8	437.5

Note: figures may not add up exactly due to rounding
(1) Excluding the Russian subsidiary Banca Intesa which is included in the IMI C&IB Division
(2) Fideuram, Intesa Sanpaolo Private Banking, Intesa Sanpaolo Wealth Management, IW Private Investments, REYL Intesa Sanpaolo, and Siref Fiduciaria
(3) Eurizon
(4) Fideuram Vita, Intesa Sanpaolo Assicura, Intesa Sanpaolo Insurance Agency, Intesa Sanpaolo Life, Intesa Sanpaolo RBM Salute, and Intesa Sanpaolo Vita
(5) Treasury Department, Central Structures and consolidation adjustments

Banca dei Territori: 1H23 vs 1H22

€ m

	1H22	1H23	∆%
Net interest income	1,947	3,281	68.5
Net fee and commission income	2,375	2,360	(0.6)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	59	60	1.7
Other operating income (expenses)	7	(2)	n.m.
Operating income	**4,388**	**5,699**	**29.9**
Personnel expenses	(1,672)	(1,641)	(1.9)
Other administrative expenses	(1,427)	(1,434)	0.5
Adjustments to property, equipment and intangible assets	(2)	(1)	(50.0)
Operating costs	**(3,101)**	**(3,076)**	**(0.8)**
Operating margin	**1,287**	**2,623**	**103.8**
Net adjustments to loans	(258)	(611)	136.8
Net provisions and net impairment losses on other assets	(38)	(61)	60.5
Other income (expenses)	11	0	(100.0)
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**1,002**	**1,951**	**94.7**
Taxes on income	(328)	(642)	95.7
Charges (net of tax) for integration and exit incentives	(7)	(24)	242.9
Effect of purchase price allocation (net of tax)	(18)	(13)	(27.8)
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	13	0	(100.0)
Net income	**662**	**1,272**	**92.1**

Note: figures may not add up exactly due to rounding

Banca dei Territori: Q2 vs Q1

€ m

	1Q23	2Q23	Δ%
Net interest income	1,573	1,708	8.6
Net fee and commission income	1,181	1,178	(0.3)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	32	28	(12.0)
Other operating income (expenses)	(2)	0	n.m.
Operating income	**2,785**	**2,914**	**4.6**
Personnel expenses	(802)	(839)	4.7
Other administrative expenses	(701)	(733)	4.7
Adjustments to property, equipment and intangible assets	(0)	(0)	(17.3)
Operating costs	**(1,503)**	**(1,573)**	**4.7**
Operating margin	**1,282**	**1,341**	**4.6**
Net adjustments to loans	(209)	(402)	92.2
Net provisions and net impairment losses on other assets	(7)	(55)	730.8
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**1,066**	**885**	**(17.0)**
Taxes on income	(351)	(291)	(17.1)
Charges (net of tax) for integration and exit incentives	(13)	(12)	(4.4)
Effect of purchase price allocation (net of tax)	(7)	(5)	(26.4)
Levies and other charges concerning the banking industry (net of tax)	(0)	(0)	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**695**	**576**	**(17.1)**

Note: figures may not add up exactly due to rounding

IMI Corporate & Investment Banking: 1H23 vs 1H22

€ m

	1H22	1H23	Δ%
Net interest income	956	1,308	36.8
Net fee and commission income	564	569	0.9
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	1,026	86	(91.6)
Other operating income (expenses)	(1)	(1)	0.0
Operating income	**2,545**	**1,962**	**(22.9)**
Personnel expenses	(235)	(255)	8.5
Other administrative expenses	(422)	(440)	4.3
Adjustments to property, equipment and intangible assets	(9)	(10)	11.1
Operating costs	**(666)**	**(705)**	**5.9**
Operating margin	**1,879**	**1,257**	**(33.1)**
Net adjustments to loans	(1,072)	100	n.m.
Net provisions and net impairment losses on other assets	(60)	(105)	75.0
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**747**	**1,252**	**67.6**
Taxes on income	(346)	(392)	13.3
Charges (net of tax) for integration and exit incentives	(10)	(12)	20.0
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	1	0	(100.0)
Net income	**392**	**848**	**116.3**

Including €947m provisions for Russia-Ukraine exposure in 1H22

Note: figures may not add up exactly due to rounding

IMI Corporate & Investment Banking: Q2 vs Q1

€ m

	1Q23	2Q23	∆%
Net interest income	611	696	14.0
Net fee and commission income	258	311	20.4
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	103	(17)	n.m.
Other operating income (expenses)	(0)	(0)	6.0
Operating income	**972**	**990**	**1.8**
Personnel expenses	(118)	(137)	15.4
Other administrative expenses	(211)	(229)	8.7
Adjustments to property, equipment and intangible assets	(5)	(5)	(6.7)
Operating costs	**(334)**	**(370)**	**10.8**
Operating margin	**638**	**619**	**(2.9)**
Net adjustments to loans	10	90	762.9
Net provisions and net impairment losses on other assets	(58)	(47)	(18.6)
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**591**	**662**	**12.1**
Taxes on income	(190)	(202)	6.6
Charges (net of tax) for integration and exit incentives	(6)	(6)	0.5
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	**395**	**453**	**14.9**

Note: figures may not add up exactly due to rounding

International Subsidiary Banks: 1H23 vs 1H22

€ m

	1H22	1H23	Δ%
Net interest income	709	1,094	54.3
Net fee and commission income	290	290	0.0
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	79	66	(16.5)
Other operating income (expenses)	(32)	(33)	3.1
Operating income	**1,046**	**1,417**	**35.5**
Personnel expenses	(265)	(281)	6.0
Other administrative expenses	(198)	(212)	7.1
Adjustments to property, equipment and intangible assets	(56)	(56)	0.0
Operating costs	**(519)**	**(549)**	**5.8**
Operating margin	**527**	**868**	**64.7**
Net adjustments to loans	(188)	(45)	(76.1)
Net provisions and net impairment losses on other assets	(14)	(22)	57.1
Other income (expenses)	2	121	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**327**	**922**	**182.0**
Taxes on income	(118)	(203)	72.0
Charges (net of tax) for integration and exit incentives	(19)	(21)	10.5
Effect of purchase price allocation (net of tax)	0	(1)	n.m.
Levies and other charges concerning the banking industry (net of tax)	(24)	(17)	(29.2)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	(1)	n.m.
Net income	**166**	**679**	**309.0**

Including €146m provisions for Russia-Ukraine exposure in 1H22

Note: figures may not add up exactly due to rounding

International Subsidiary Banks: Q2 vs Q1

€ m

	1Q23	2Q23	Δ%
Net interest income	520	574	10.5
Net fee and commission income	138	152	10.6
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	21	45	114.4
Other operating income (expenses)	(13)	(20)	53.8
Operating income	**665**	**752**	**13.0**
Personnel expenses	(138)	(143)	3.6
Other administrative expenses	(102)	(110)	7.3
Adjustments to property, equipment and intangible assets	(28)	(28)	3.2
Operating costs	**(268)**	**(281)**	**5.0**
Operating margin	**397**	**470**	**18.3**
Net adjustments to loans	(0)	(45)	n.m.
Net provisions and net impairment losses on other assets	(5)	(17)	286.6
Other income (expenses)	120	1	(99.4)
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**513**	**409**	**(20.3)**
Taxes on income	(130)	(73)	(43.9)
Charges (net of tax) for integration and exit incentives	(10)	(11)	8.1
Effect of purchase price allocation (net of tax)	(1)	(1)	(0.1)
Levies and other charges concerning the banking industry (net of tax)	(6)	(10)	68.7
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(1)	(1)	12.0
Net income	**366**	**313**	**(14.3)**

Note: figures may not add up exactly due to rounding

Private Banking: 1H23 vs 1H22

€ m

	1H22	1H23	Δ%
Net interest income	101	602	496.0
Net fee and commission income	1,023	931	(9.0)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	25	34	36.0
Other operating income (expenses)	11	(1)	n.m.
Operating income	**1,160**	**1,566**	**35.0**
Personnel expenses	(225)	(240)	6.7
Other administrative expenses	(184)	(186)	1.1
Adjustments to property, equipment and intangible assets	(40)	(43)	7.5
Operating costs	**(449)**	**(469)**	**4.5**
Operating margin	**711**	**1,097**	**54.3**
Net adjustments to loans	(3)	(11)	266.7
Net provisions and net impairment losses on other assets	13	(17)	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**721**	**1,069**	**48.3**
Taxes on income	(179)	(343)	91.6
Charges (net of tax) for integration and exit incentives	(16)	(11)	(31.3)
Effect of purchase price allocation (net of tax)	(10)	(12)	20.0
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(2)	(2)	0.0
Net income	**514**	**701**	**36.4**

Note: figures may not add up exactly due to rounding

Private Banking: Q2 vs Q1

€ m

	1Q23	2Q23	∆%
Net interest income	280	322	15.3
Net fee and commission income	455	476	4.5
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	20	14	(29.2)
Other operating income (expenses)	(1)	0	(100.0)
Operating income	**754**	**812**	**7.7**
Personnel expenses	(117)	(123)	5.2
Other administrative expenses	(91)	(95)	4.5
Adjustments to property, equipment and intangible assets	(21)	(22)	2.3
Operating costs	**(229)**	**(240)**	**4.7**
Operating margin	**525**	**573**	**9.1**
Net adjustments to loans	(6)	(6)	(3.4)
Net provisions and net impairment losses on other assets	(6)	(11)	87.9
Other income (expenses)	0	(0)	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**513**	**556**	**8.3**
Taxes on income	(158)	(185)	17.4
Charges (net of tax) for integration and exit incentives	(6)	(6)	2.9
Effect of purchase price allocation (net of tax)	(6)	(6)	(14.1)
Levies and other charges concerning the banking industry (net of tax)	0	(0)	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(0)	(2)	400.0
Net income	**343**	**358**	**4.2**

Note: figures may not add up exactly due to rounding

Asset Management: 1H23 vs 1H22

€ m

	1H22	1H23	Δ%
Net interest income	0	2	n.m.
Net fee and commission income	472	418	(11.4)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	(15)	13	n.m.
Other operating income (expenses)	38	32	(15.8)
Operating income	**495**	**465**	**(6.1)**
Personnel expenses	(48)	(50)	4.2
Other administrative expenses	(49)	(57)	16.3
Adjustments to property, equipment and intangible assets	(3)	(4)	33.3
Operating costs	**(100)**	**(111)**	**11.0**
Operating margin	**395**	**354**	**(10.4)**
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	0	0	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**395**	**354**	**(10.4)**
Taxes on income	(89)	(92)	3.4
Charges (net of tax) for integration and exit incentives	(1)	0	(100.0)
Effect of purchase price allocation (net of tax)	(2)	(2)	0.0
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(1)	0	(100.0)
Net income	**302**	**260**	**(13.9)**

Note: figures may not add up exactly due to rounding

Asset Management: Q2 vs Q1

€ m

	1Q23	2Q23	Δ%
Net interest income	1	1	(50.8)
Net fee and commission income	209	210	0.5
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	7	5	(27.9)
Other operating income (expenses)	17	15	(13.9)
Operating income	**235**	**231**	**(1.7)**
Personnel expenses	(23)	(27)	17.0
Other administrative expenses	(27)	(30)	11.3
Adjustments to property, equipment and intangible assets	(2)	(2)	7.5
Operating costs	**(52)**	**(59)**	**13.6**
Operating margin	**183**	**172**	**(6.1)**
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	(2)	2	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**181**	**173**	**(4.0)**
Taxes on income	(50)	(42)	(16.9)
Charges (net of tax) for integration and exit incentives	0	(0)	n.m.
Effect of purchase price allocation (net of tax)	(1)	(1)	0.0
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(0)	(0)	(14.9)
Net income	**129**	**130**	**0.9**

Note: figures may not add up exactly due to rounding

Insurance: 1H23 vs 1H22

€ m

	1H22(1)	1H23	Δ%
Net interest income	0	0	n.m.
Net fee and commission income	1	1	0.0
Income from insurance business	809	834	3.1
Profits on financial assets and liabilities at fair value	0	0	n.m.
Other operating income (expenses)	(7)	(7)	0.0
Operating income	**803**	**828**	**3.1**
Personnel expenses	(68)	(72)	5.9
Other administrative expenses	(94)	(84)	(10.6)
Adjustments to property, equipment and intangible assets	(15)	(15)	0.0
Operating costs	**(177)**	**(171)**	**(3.4)**
Operating margin	**626**	**657**	**5.0**
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	0	39	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**626**	**696**	**11.2**
Taxes on income	(157)	(205)	30.6
Charges (net of tax) for integration and exit incentives	(4)	(7)	75.0
Effect of purchase price allocation (net of tax)	(3)	(5)	66.7
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	(2)	n.m.
Net income	**462**	**477**	**3.2**

Note: figures may not add up exactly due to rounding
(1) Restated for the adoption of IFRS 17 and IFRS 9 by the Group's insurance companies

Insurance: Q2 vs Q1

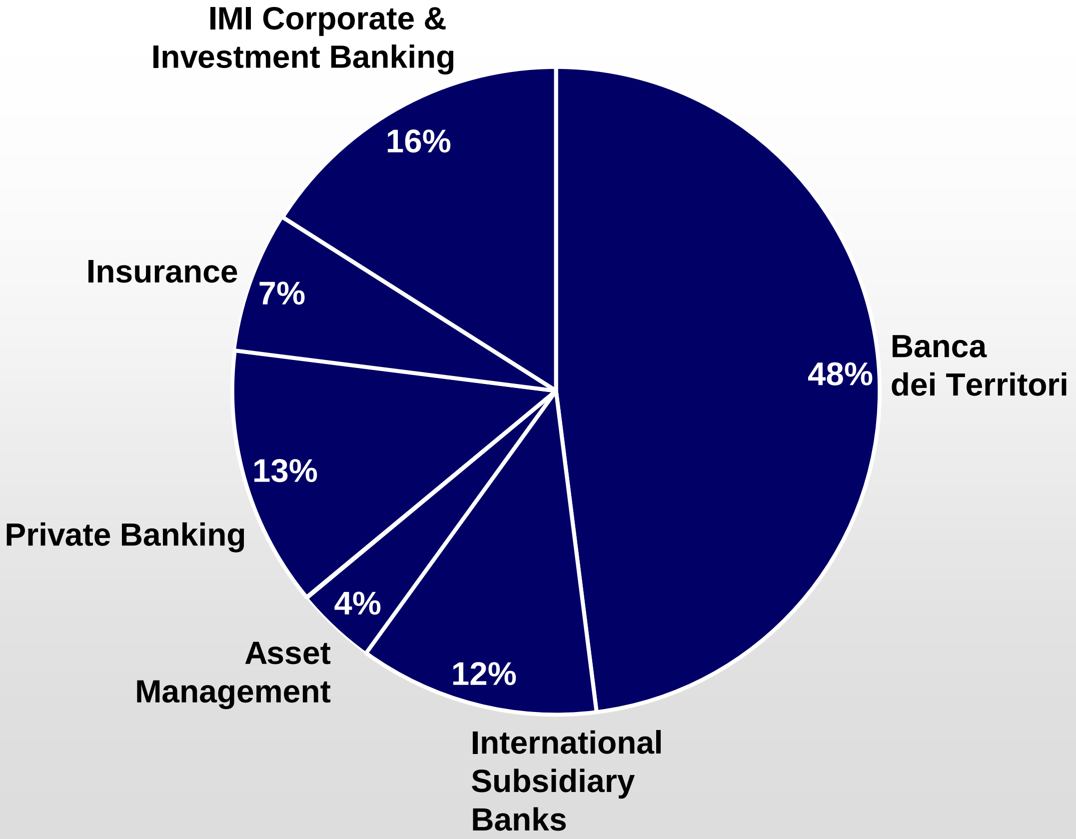
€ m

	1Q23	2Q23	Δ%
Net interest income	0	0	(13.1)
Net fee and commission income	1	1	(1.9)
Income from insurance business	385	449	16.6
Profits on financial assets and liabilities at fair value	0	(0)	n.m.
Other operating income (expenses)	(1)	(6)	303.0
Operating income	**384**	**444**	**15.5**
Personnel expenses	(35)	(37)	3.9
Other administrative expenses	(40)	(44)	12.0
Adjustments to property, equipment and intangible assets	(8)	(8)	(1.4)
Operating costs	**(83)**	**(89)**	**7.3**
Operating margin	**302**	**355**	**17.8**
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	2	37	n.m.
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	**304**	**392**	**29.1**
Taxes on income	(97)	(109)	12.1
Charges (net of tax) for integration and exit incentives	(2)	(5)	133.0
Effect of purchase price allocation (net of tax)	(2)	(3)	31.0
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(2)	0	(100.0)
Net income	**201**	**276**	**37.3**

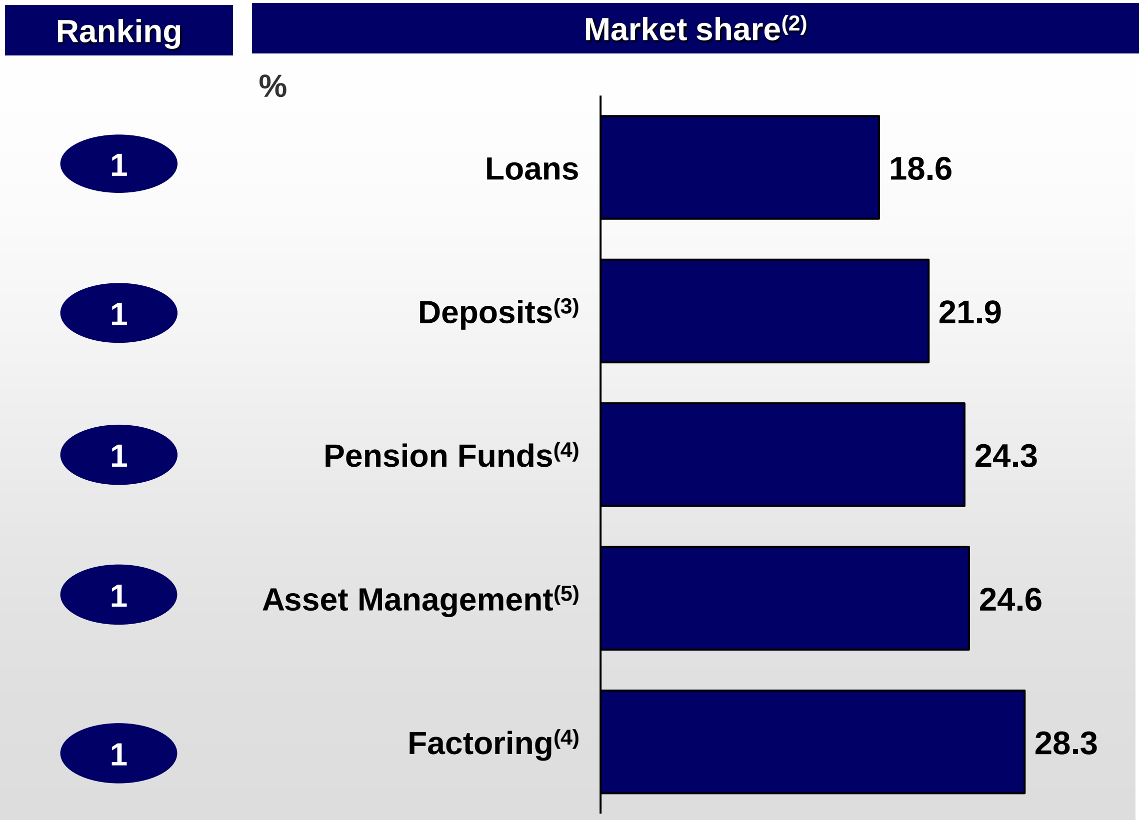
Note: figures may not add up exactly due to rounding

Market leadership in Italy

1H23 Operating income breakdown by business area[1]



Leader in Italy



Note: figures may not add up exactly due to rounding
(1) Excluding Corporate centre
(2) Data as at 30.6.23
(3) Including bonds
(4) Data as at 31.3.23
(5) Mutual funds; data as at 31.3.23

International Subsidiary Banks by country

Data as at 30.6.23

	Hungary	Slovakia	Slovenia	Croatia	Bosnia	Serbia	Albania	Romania	Moldova	Ukraine(*)	Total CEE	Egypt	Total	% of the Group
Operating income (€ m)	233	336	71	293	25	208	31	24	9		**1,228**	177	**1,405**	**11.3%**
Operating costs (€ m)	62	116	25	102	12	62	14	17	5		**417**	58	**474**	**9.1%**
Net adjustments to loans (€ m)	10	27	1	(9)	1	11	(4)	1	(0)		**38**	15	**53**	**9.6%**
Net income (€ m)	94	132	34	250	8	104	14	3	3		**643**	63	**706**	**16.7%**
Customer deposits (€ bn)	5.5	19.4	3.3	12.7	1.0	5.7	1.5	1.1	0.2		**50.3**	3.6	**53.9**	**9.7%**
Customer loans (€ bn)	4.2	17.4	2.3	8.7	0.8	4.7	0.5	0.8	0.1		**39.5**	1.7	**41.1**	**9.4%**
Performing loans (€ bn)	4.1	17.3	2.3	8.5	0.8	4.7	0.5	0.8	0.1		**39.0**	1.6	**40.7**	**9.4%**
of which:														
Retail local currency	45%	61%	42%	49%	36%	22%	28%	13%	53%		**49%**	56%	**50%**	
Retail foreign currency	0%	0%	0%	0%	13%	29%	15%	13%	0%		**4%**	0%	**4%**	
Corporate local currency	25%	31%	58%	50%	29%	6%	11%	42%	19%		**33%**	25%	**33%**	
Corporate foreign currency	30%	8%	0%	1%	22%	43%	46%	33%	28%		**13%**	18%	**14%**	
Non-performing loans (€ m)	81	107	6	161	11	45	8	15	1		**435**	29	**464**	**8.8%**
Non-performing loans coverage	43%	66%	79%	56%	62%	67%	50%	64%	75%		**60%**	75%	**61%**	
Annualised Cost of credit (1) (bps)	47	31	7	n.m.	19	47	n.m.	31	n.m.		**19**	185	**26**	

Note: figures may not add up exactly due to rounding
(*) Consolidated on the basis of the countervalue of 31.3.23 figures at the exchange rate as at 30.6.23
(1) Net adjustments to loans/Net customer loans

Total exposure[1] by main countries

€ m

	DEBT SECURITIES				LOANS
	Banking Business				
	AC	FVTOCI	FVTPL[2]	Total[3]	
EU Countries	**46,870**	**41,962**	**3,959**	**92,791**	**400,860**
Austria	765	521	29	1,315	603
Belgium	4,154	3,146	136	7,436	1,448
Bulgaria					11
Croatia	277	588	75	940	8,518
Cyprus					15
Czech Republic	145	37		182	912
Denmark	25	71	2	98	167
Estonia					4
Finland	294	224	4	522	172
France	7,147	6,087	440	13,674	6,113
Germany	454	2,618	539	3,611	5,563
Greece	37		36	73	242
Hungary	395	911	63	1,369	4,307
Ireland	936	1,370	484	2,790	420
Italy	23,318	14,046	1,115	38,479	338,385
Latvia					18
Lithuania					2
Luxembourg	489	927	70	1,486	7,300
Malta					83
The Netherlands	1,046	1,162	190	2,398	1,984
Poland	347	106	5	458	930
Portugal	545	478	-54	969	561
Romania	65	411	15	491	900
Slovakia		1,138	12	1,150	14,968
Slovenia	1	191	2	194	2,325
Spain	6,402	7,633	785	14,820	4,255
Sweden	28	297	11	336	654
Albania	**78**	**544**	**6**	**628**	**510**
Egypt	**74**	**1,088**		**1,162**	**2,385**
Japan	**74**	**1,644**	**8**	**1,726**	**422**
Russia	**4**	**10**		**14**	**1,765**
Serbia	**7**	**547**		**554**	**4,993**
United Kingdom	**575**	**725**	**135**	**1,435**	**14,053**
U.S.A.	**4,201**	**8,821**	**323**	**13,345**	**7,509**
Other Countries	**6,549**	**7,082**	**189**	**13,820**	**21,259**
Total	**58,432**	**62,423**	**4,620**	**125,475**	**453,756**

Note: management accounts. Figures may not add up exactly due to rounding
(1) Exposure to sovereign risks (central and local governments), banks and other customers. Book Value of Debt Securities and Net Loans as at 30.6.23
(2) Taking into account cash short positions
(3) The total of debt securities from Insurance business (excluding securities in which money is collected through insurance policies where the total risk is retained by the insured) amounts to €73,892m (of which €51,240m in Italy)

Exposure to sovereign risks(1) by main countries

€ m

	DEBT SECURITIES				LOANS
	Banking Business				
	AC	FVTOCI	FVTPL(2)	Total(3)	
EU Countries	**36,471**	**30,710**	**381**	**67,562**	**10,739**
Austria	615	294	-2	907	
Belgium	3,199	3,056	112	6,367	
Bulgaria					
Croatia	150	588	75	813	1,559
Cyprus					
Czech Republic					
Denmark		10	2	12	
Estonia					
Finland	255	153		408	
France	6,644	3,593	164	10,401	31
Germany	50	1,521	13	1,584	
Greece			5	5	
Hungary	167	882	63	1,112	322
Ireland	336	56	1	393	
Italy	17,323	10,839	-381	27,781	8,456
Latvia					18
Lithuania					
Luxembourg	311	591	18	920	
Malta					
The Netherlands	828	62	19	909	
Poland	26	64	5	95	
Portugal	387	415	-64	738	
Romania	65	411	11	487	3
Slovakia		1,017	12	1,029	139
Slovenia	1	184	2	187	161
Spain	6,114	6,963	326	13,403	50
Sweden		11		11	
Albania	**78**	**544**	**6**	**628**	
Egypt	**74**	**1,088**		**1,162**	**535**
Japan		**1,101**		**1,101**	
Russia		**10**		**10**	
Serbia	**7**	**547**		**554**	**217**
United Kingdom		**237**	**1**	**238**	
U.S.A.	**3,385**	**7,254**	**148**	**10,787**	
Other Countries	**2,383**	**4,111**	**95**	**6,589**	**4,764**
Total	**42,398**	**45,602**	**631**	**88,631**	**16,255**

Banking business government bond duration: 6.5y
Adjusted duration due to hedging: 1y

Note: management accounts. Figures may not add up exactly due to rounding
(1) Exposure to central and local governments. Book Value of Debt Securities and Net Loans as at 30.6.23
(2) Taking into account cash short positions
(3) The total of debt securities from Insurance business (excluding securities in which money is collected through insurance policies where the total risk is retained by the insured) amounts to €56,625m (of which €48,464m in Italy). The total of FVTOCI reserves (net of tax and allocation to insurance products under management) amount to -€1,584m (of which -€476m in Italy)

Exposure to banks by main countries(1)

€ m

	DEBT SECURITIES				LOANS
	Banking Business				
	AC	FVTOCI	FVTPL(2)	Total(3)	
EU Countries	**1,941**	**6,468**	**2,192**	**10,601**	**18,719**
Austria	140	216	28	384	311
Belgium	11	80	23	114	303
Bulgaria					
Croatia					87
Cyprus					
Czech Republic		37		37	25
Denmark	25	31		56	54
Estonia					
Finland	24	35	3	62	7
France	285	1,629	195	2,109	3,154
Germany	268	566	477	1,311	2,814
Greece			31	31	232
Hungary	161	29		190	359
Ireland	46	10	-2	54	173
Italy	723	2,175	867	3,765	9,677
Latvia					
Lithuania					
Luxembourg	92	225	32	349	204
Malta					47
The Netherlands	58	538	101	697	301
Poland		34		34	4
Portugal		35		35	444
Romania			4	4	69
Slovakia		121		121	1
Slovenia		7		7	7
Spain	90	517	429	1,036	386
Sweden	18	183	4	205	60
Albania					**23**
Egypt					**107**
Japan	**34**	**368**		**402**	**52**
Russia					**97**
Serbia					**79**
United Kingdom	**173**	**309**	**71**	**553**	**676**
U.S.A.	**159**	**524**	**134**	**817**	**70**
Other Countries	**60**	**2,079**	**35**	**2,174**	**2,256**
Total	**2,367**	**9,748**	**2,432**	**14,547**	**22,079**

Note: management accounts. Figures may not add up exactly due to rounding
(1) Book Value of Debt Securities and Net Loans as at 30.6.23
(2) Taking into account cash short positions
(3) The total of debt securities from Insurance business (excluding securities in which money is collected through insurance policies where the total risk is retained by the insured) amounts to €9,427m (of which €1,390m in Italy)

Exposure to other customers by main countries(1)

€ m

	DEBT SECURITIES				LOANS
	Banking Business				
	AC	FVTOCI	FVTPL(2)	Total(3)	
EU Countries	**8,458**	**4,784**	**1,386**	**14,628**	**371,402**
Austria	10	11	3	24	292
Belgium	944	10	1	955	1,145
Bulgaria					11
Croatia	127			127	6,872
Cyprus					15
Czech Republic	145			145	887
Denmark		30		30	113
Estonia					4
Finland	15	36	1	52	165
France	218	865	81	1,164	2,928
Germany	136	531	49	716	2,749
Greece	37			37	10
Hungary	67			67	3,626
Ireland	554	1,304	485	2,343	247
Italy	5,272	1,032	629	6,933	320,252
Latvia					
Lithuania					2
Luxembourg	86	111	20	217	7,096
Malta					36
The Netherlands	160	562	70	792	1,683
Poland	321	8		329	926
Portugal	158	28	10	196	117
Romania					828
Slovakia					14,828
Slovenia					2,157
Spain	198	153	30	381	3,819
Sweden	10	103	7	120	594
Albania					**487**
Egypt					**1,743**
Japan	**40**	**175**	**8**	**223**	**370**
Russia	**4**			**4**	**1,668**
Serbia					**4,697**
United Kingdom	**402**	**179**	**63**	**644**	**13,377**
U.S.A.	**657**	**1,043**	**41**	**1,741**	**7,439**
Other Countries	**4,106**	**892**	**59**	**5,057**	**14,239**
Total	**13,667**	**7,073**	**1,557**	**22,297**	**415,422**

Note: management accounts. Figures may not add up exactly due to rounding
(1) Book Value of Debt Securities and Net Loans as at 30.6.23
(2) Taking into account cash short positions
(3) The total of debt securities from Insurance business (excluding securities in which money is collected through insurance policies where the total risk is retained by the insured) amounts to €7,840m (of which €1,386m in Italy)

Disclaimer

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

* * *

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

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