



Green and Social Bond Report 2023

INTESA  SANPAOLO

Green and Social Bond Report 2023

1 Introduction

This document is the annual report on the allocation and impact (social and environmental) of Intesa Sanpaolo's Green and Social Bonds issued between 2019 and 2023, prepared in line with section 5 (Reporting) of the Intesa Sanpaolo Green, Social & Sustainability Bond Framework published in June 2022 (hereafter: "Framework").

The "Allocation Report" refers to the eligible outstanding amount as of December 2023.









The "Impact Report" covers the impacts generated in the period from 1 January 2023 to the end of the year.

1.1 INTESA SANPAOLO GREEN CATEGORIES

Intesa Sanpaolo was the first Italian bank to debut with a green bond issuance in 2017. Green funding has become increasingly important in the overall Group strategy.

The total amount of Intesa Sanpaolo Green Bonds outstanding as of the 31st of December 2023 is equal to approximately **€ 8.7 bn**.

The proceeds of any Intesa Sanpaolo Bond issued under the Framework have been allocated exclusively to Eligible Loans as defined in the following list of Eligible Green Categories, aligned to the ICMA Green Bond Principles 2021¹.

Green Eligible categories	Description ²	Impacted Sustainable Development Goals
1 - Renewable Energy	Solar, Wind and Hydro-power where the facility: a) is a run-of-river plant and does not have an artificial reservoir or; b) has power density 5W/m ² or; c) life-cycle GHG emissions are lower than 100g CO ₂ e/kWh	 
2 - Energy Efficiency	Energy storage from RES, smart grids, cogeneration of heat/cool and power if life-cycle GHG emissions lower than 100 g CO ₂ e per 1 kWh of energy output, energy efficient equipment and district heating/cooling	
3 - Clean transportation	Electric vehicles, Infrastructure enabling low carbon road and public zero-emission transport, Urban and suburban road electric passenger transport, zero-emission heavy-duty and freight vehicles	 
4 - Green Buildings	<p>New and Existing buildings</p> <ul style="list-style-type: none"> - For buildings built before 31st December 2020: EPC A or buildings belonging to the Top 15% of the national building stock based on Primary Energy Demand (PED) - Buildings belonging to the Top 15% and having obtained a certain level of recognized environmental standards and certifications; - For buildings built after 1st January 2021: buildings where the PED is, or will be, at least 10% lower than the threshold set for the nearly zero-energy building (NZEB) requirements in national measures <p>Refurbished buildings with a minimum 30% energy saving improvement (or at least two steps improvement in EPC label).</p>	  

¹ Intesa Sanpaolo may consider future opportunities to update its Framework to expand this list of Eligible Categories and include new Eligible Categories as relevant to Intesa Sanpaolo financing strategy.

² Consult [Green, Social and Sustainability Bond Framework](#) for further details.

5 - Environmentally sustainable management of living natural resources and land-use, biodiversity

Sustainable agriculture (e.g. organic farming), sustainable forestry (afforestation, re-forestation, forest management and conservation based on certifications and standards) and carbon farming



6 - Circular Economy

Various technologies, solutions, products and services aimed at increasing resource efficiency and enabling circular economy business models



1.1.1 EXCLUDED CATEGORIES

An accurate process of green loans selection, data collection and checks has been set up by Intesa Sanpaolo through its specialist lending desks.

- Any kind of investment connected to: Fossil Fuels, Nuclear energy, Armament, Alcohol, Gambling, Sex industry and Tobacco sector is excluded.
- Any kind of investment to companies or projects connected to: Intensive agro-industrial activities with intensive use of agrochemicals or which entail deforestation, Animal maltreatment, Hazardous chemicals, is excluded.
- Hydro projects up to 25 MW in installed capacity are eligible. If between 25 MW and 1000 MW, one of the following international sustainability best practices must be satisfied:
 - Hydropower Sustainability Protocol – Published assessment report, score of 3 or above (i.e., in line with “Good Practices”) on all relevant pillars or
 - International Finance Corporation (IFC) Standards – Publicly stated commitment to meet the requirements outlined by all eight IFC performance standards.

Hydro projects over 1000 MW in installed capacity have been excluded.

- Use of toxic materials and waste to energy practices from unsorted waste (not organic products) are excluded, since they are harmful to humans & environment and lead to loss of value & materials.
- Regarding solutions that extend the product-life or cycles of use of goods and/or materials: virgin plastic-based products are excluded.
- Regarding products that substitute critical materials with biological or bio-based materials: biological or bio-based materials with strong sustainability risks and / or result in deforestation/competition with food production are excluded.
- Regarding processes fueled by energy from conversion of biomass: biomass originating from non-sustainable sources and/or recyclable and hazardous waste is excluded.

1.2 INTESA SANPAOLO 2023 GREEN BOND ISSUES

XS2592650373 (Dual tranche 1/2)

Settlement date: 8 March 2023

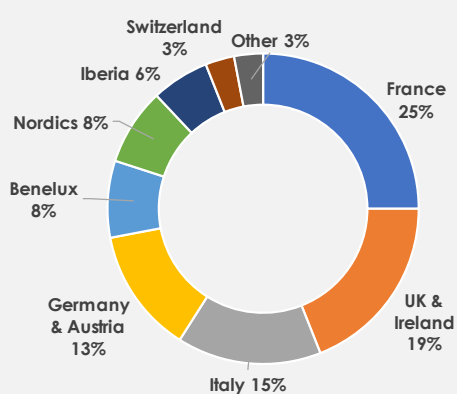
Notional: € 1,500 mln Senior Non Preferred

Tenor: 5NC4 years

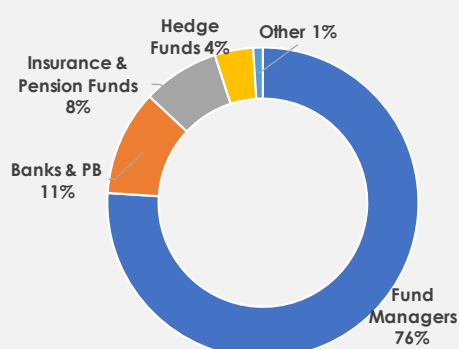
Maturity date: 8 March 2028

Final book for the short-term tranche collected orders of around € 3.2 bn from more than 195 investors allocated as follows:

ALLOCATION BY GEOGRAPHY



ALLOCATION BY INVESTOR TYPE



XS2592658947 (Dual tranche 2/2)

Settlement date: 8 March 2023

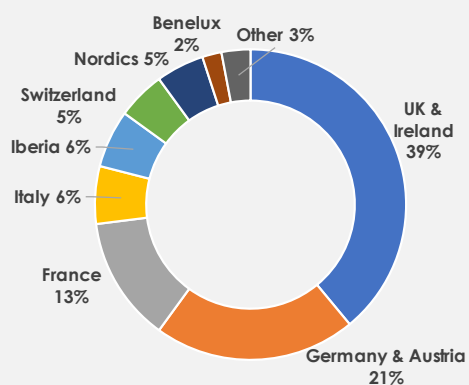
Notional: € 750 mln Senior Non Preferred

Tenor: 10 years

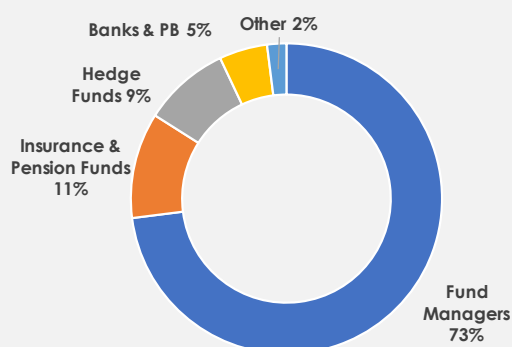
Maturity date: 8 March 2033

Final book collected orders of over € 2.1 bn from more than 135 investors allocated as follows:

ALLOCATION BY GEOGRAPHY



ALLOCATION BY INVESTOR TYPE

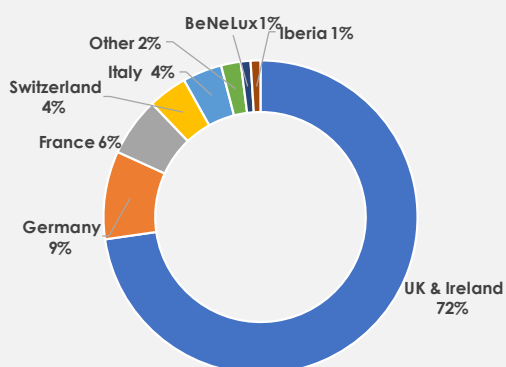


XS2598063480

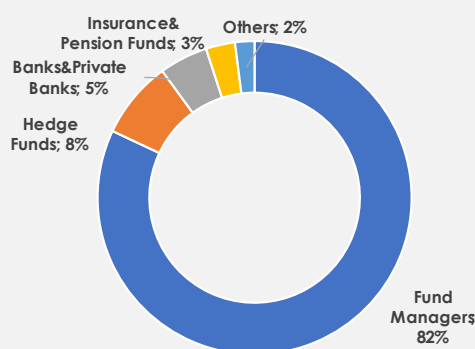
Settlement date: 14 March 2023
Notional: £ 600 mln Senior Non Preferred
Tenor: 6NC5 years
Maturity date: 14 March 2029

The final book collected orders of around £1.2 bn from 95 investors, allocated as follows:

ALLOCATION BY GEOGRAPHY



ALLOCATION BY INVESTOR TYPE

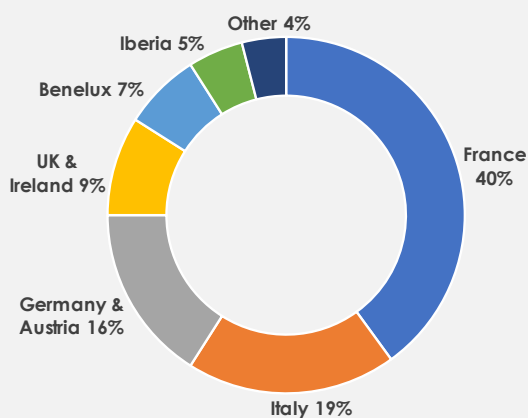


XS2625195891 (Dual tranche 1/2)

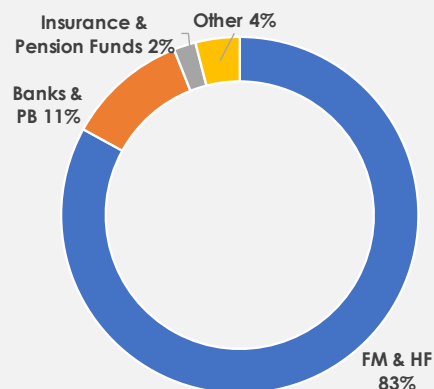
Settlement date: 19 May 2023
Notional: € 1,000 mln Senior Preferred
Tenor: 3 years
Maturity date: 19 May 2026

The final book collected orders exceeding €2bn from more than 175 investors, allocated as follows:

ALLOCATION BY GEOGRAPHY



ALLOCATION BY INVESTOR TYPE



XS2625196352 (Dual tranche 2/2)

Settlement date: 19 May 2023

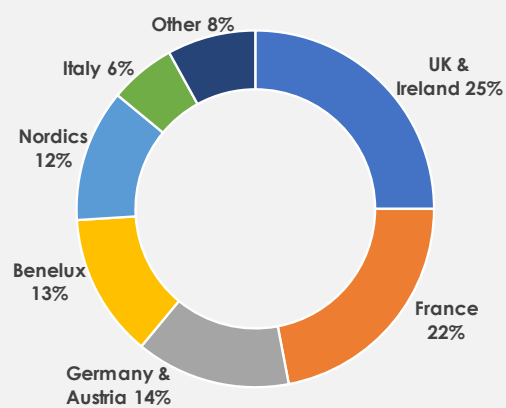
Notional: € 1,250 mln Senior Preferred

Tenor: 7 years

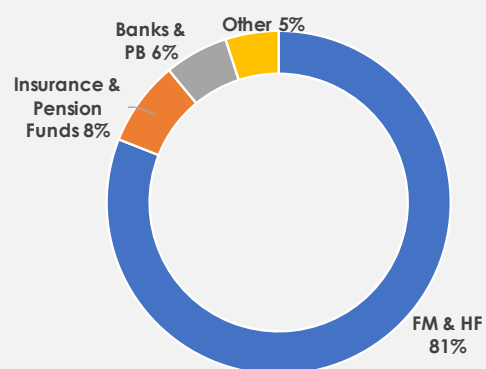
Maturity date: 19 May 2030

The final book collected orders exceeding € 3bn from around 200 investors, allocated as follows:

ALLOCATION BY GEOGRAPHY




ALLOCATION BY INVESTOR TYPE




1.3 INTESA SANPAOLO GREEN PORTFOLIO Allocation report

OVERVIEW as of 31st December 2023

Percentage of Net Proceeds of Green Funding allocated to Eligible Green Loan Portfolio	100%
Percentage of Eligible Green Loan Portfolio financed (usage)	66%
Amount of Assets fully aligned with the EU Taxonomy ³ 	€ 8,542 mln
Balance of net proceeds - (Available eligible green loans for new issues)	€ 4,527 mln
<hr/>	
“Renewable Energy & Energy efficiency” Portfolios New loans (since 31 Dec. 2022)	€ 438 mln
“Green Buildings” Portfolio New loans (since 31 Dec. 2022)	€ 919 mln
“Circular Economy” Portfolio New loans (since 31 Dec. 2022)	€ 460 mln

ISP GREEN LOAN PORTFOLIO

ISP GREEN FUNDING

Eligible categories	# of loans	Outstanding Amount (€)	Tenor (years)	% Outside Italy	ISIN	Allocated Amount (€)
Renewable Energy	957	2,337,160,003	6.8	38%	XS2529233814	1,000 mln
<i>Photovoltaic</i>	837	1,866,938,656	6.5	36%	XS2450068619 ⁴	18 mln
<i>Eolic</i>	57	376,504,143	7.6	56%	XS1979446843	500 mln
<i>Hydroelectric</i>	63	93,717,204	7.7	0%	XS2317069685	1,250 mln
Energy efficiency	17	141,912,719	3.7	58%	XS2089368596	750 mln
Green buildings 	65,961	8,541,740,216	22.9	0%	<u>2023 Issuances</u>	
<u>Built after 1st Jan. 2021</u>						
<i>NZEB - 10%⁵</i>	4,368	817,922,955	26.6	0%	XS2592650373	1,500 mln
<u>Built before 31st Dec. 2020</u>						
<i>EPC Label A</i>	34,943	4,919,198,792	23.1	0%	XS2592658947	750 mln
<i>Other in Top 15%⁶</i>	26,650	2,804,618,469	21.4	0%	XS2598063480 ⁷	673 mln
Circular Economy	374	2,197,442,474	3.5	26%	XS2625195891	1,000 mln
					XS2625196352	1,250 mln
Total		13,218,255,412	16.6	12%		8,691 mln

³ Parent Company perimeter

⁴ Private Placement €2,4 bn printed in 2022.

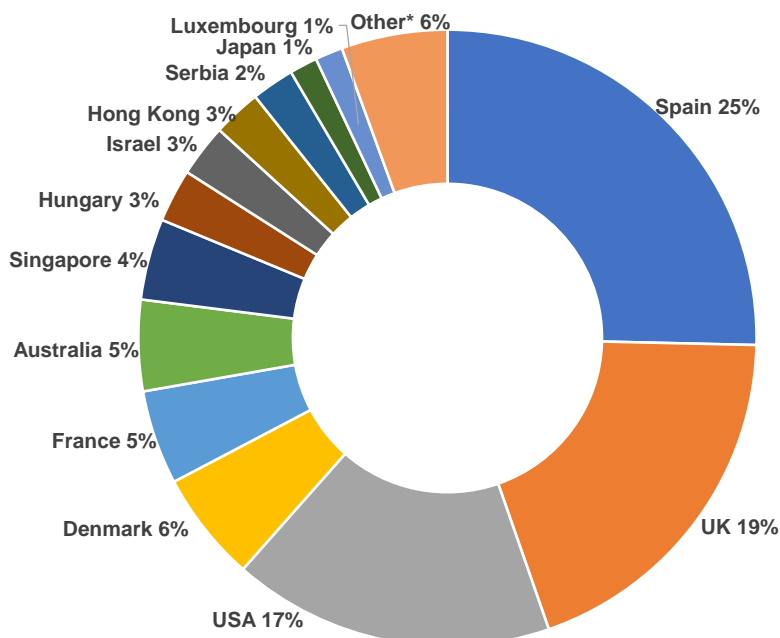
⁵ Italy doesn't specify a numerical indicator of primary energy requirement for Nearly-Zero Energy Buildings (NZEB) in the transposition of the EU Energy Performance of Buildings Directive 2010/31/EU (EPBD). Therefore, Buildings considered with Primary Energy Demand at least 10 % lower than the threshold set for NZEB requirements in national measures are those that meet Primary Energy Demand thresholds by climate area defined by third-party provider analysis.

⁶ Buildings belonging to the Top 15% of the national residential building stock according to Primary Energy Demand thresholds by climate area defined by third-party provider analysis.

⁷ Public Issue GBP 600 mln printed in March 2023.

GREEN PORTFOLIO ASSETS OUTSIDE ITALY

Around € 1,6 bn of green assets (Renewable Energy, Energy efficiency and Circular Economy) consists of projects based outside Italy:



(*) Slovenia, Albania, Mexico, Slovakia, Czech Republic, Bosnia-Herzegovina, Romania, Emirates, Croatia, Serbia, Ukraine

FOCUS ON CIRCULAR ECONOMY ELIGIBLE CATEGORIES

	Outstanding Amount (€)	% out of Italy
1. Solutions that extend the product-life or cycles of use of goods and/or materials	279,220,490	0%
2. Production processes fueled by and/or products made of renewable or recycled resources	568,776,287	28%
3. Products and/or services that significantly increase effectiveness and efficiency of the resource consumption, within the company or along its supply chain	1,101,438,222	35%
4. Design and/or manufacture products that can be fully recycled or composted within an efficient framework of collection, separation and recycling after use	208,495,483	10%
5. Innovative technologies to enable circular business models	39,511,993	9%

1.4 INTESA SANPAOLO GREEN PORTFOLIO | Impact report

IMPACT REPORTING AT GREEN PORTFOLIO LEVEL

Eligible Loan Category	# of loans	Outstanding Amount* € mln	Share of total portfolio financing	Avoided financed GHG emissions (tCO ₂ e) ⁸
Renewable Energy	957	2,337	18%	2,812,800
Energy efficiency	17	142	1%	30,500
Green Buildings	65,961	8,542	65%	201,300
Circular Economy	374	2,197	16%	3,433,000
Total	67,309	13,218	100%	6,477,600
Estimated Impact per €1 M invested (GHG)				490

* As of 31st December 2023

METHODOLOGICAL APPROACH

Avoided GHG emissions are:

- calculated according to **The Global GHG Accounting and Reporting Standard** for the Financial Industry (hereafter PCAF Methodology) (PCAF, 2022);
- measured as gross figures: they do not take into account the emissions from the project implementation;
- estimated using a **life cycle assessment approach** in line with the main international standards (e.g. ISO 14040-44) and guidelines (e.g. GHG Protocol);
- computed considering the technical specification of each plan/project, if available, or estimated according to the emission factors provided by international LCA databases (e.g. Ecoinvent) or available literature;
- assessed adopting a **conservative approach**;
- proportionally allocated according to an **Attribution Factor**: the ratio between the outstanding amount of the deal as of 31/12/2023 and the initial value of the investment (debt + equity). The share between debt and equity is determined considering the loan to value (LTV).

Impact report analysis carried out by external consultants⁹.

⁸ Avoided emissions only refer to outstanding eligible loans of the Portfolio

⁹ Studio Fieschi

Renewable Energy



Total Portfolio (€ mln)

2,337



Annual avoided GHG emissions (tCO₂e)*

2,812,800



Avoided financed GHG emissions intensity (tCO₂e / € mln)

1,203




* Absolute avoided GHG emissions are calculated by multiplying the estimated energy production by a country specific power mix emission factor. Avoided financed GHG emissions are calculated by multiplying the absolute avoided emissions by an attribution factor.

Renewable energy	Financed Energy production [MWh]	Avoided financed emissions [tCO ₂ e]	Projects [n°]
Photovoltaic	5,735,900	2,475,200	837
Wind power	563,600	292,300	57
Hydroelectric	109,300	45,300	63
Total	6,408,800	2,812,800	957

- A statistically significant sample (consisting of 146 plants located in Italy) has been used for the calculation of the energy production figures (MWh/€M). The average annual energy production is based on actual production data (as of 30 June 2023) referred to the plants included in the sample over a 12-month period.
- The attribution factor has been calculated considering an average loan to value estimated by the ISP Energy Desk.
- For photovoltaic plants located outside Italy, the operating hours have been derived from World Bank data¹⁰.
- The **Operating Margins emission factors have been considered** (IFI, version 3.2, 2022).

¹⁰ <https://globalsolaratlas.info/global-pv-potential-study>

Energy Efficiency

	Total Portfolio (€ mln)	142
	Annual avoided GHG emissions (tCO₂e)*	30,500
	Avoided financed GHG emissions intensity (tCO₂e / € mln)	215

* Absolute avoided GHG emissions are calculated by multiplying the estimated energy saving by specific energy carrier emission factors. Avoided financed GHG emissions are calculated by multiplying the absolute avoided emissions by an attribution factor.

- A statistically significant sample has been used for the calculation of the energy saving figures (MWh / € mln). The average annual energy saving of electricity or heat/fuel consumption is based on actual production data (as of 30 June 2023) of a plant sample over a 12-month period.
- The attribution factor has been calculated considering an average loan to value estimated by the ISP Energy Desk.
- Avoided emissions linked to Energy Efficiency projects are calculated in terms of electricity or heat/fuel saved.
- The emission factor considered for the grid electricity is the country residual mix¹¹.
- Specific GHG emissions factors have been modelled with the LCA Simapro and the LCI database Ecoinvent.

¹¹ National residual mix allows calculation of the origin of electricity supplied by electricity retailers but not covered by certificates of origin. Emission factor reflects the national electricity mix (fossil and non-fossil) excluding the electricity marketed through certificates of origin (e.g. GO). Residual mixes are disclosed for European countries by the Association of Issuing Bodies (AIB)

Green Buildings



Total Portfolio (€ mln)

8,542



Annual avoided GHG emissions (tCO₂e)*

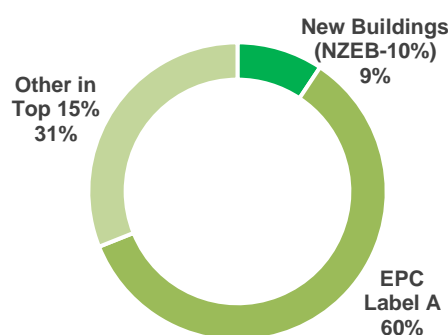
201,300



Avoided financed GHG emissions intensity (tCO₂e / € mln)

24

AVOIDED GHG EMISSIONS (tCO₂e)*



* Absolute avoided GHG emissions are calculated by multiplying the estimated energy saving by an energy mix emission factor based on Italian residential energy consumption. Avoided financed GHG emissions are calculated by multiplying the absolute avoided emissions by an attribution factor.




Building type	[m ²]	Outstanding [€ mln]	Energy saving [MWh]	Avoided financed GHG emission [tCO ₂ e]
Built after 1st Jan. 2021				
NZEB - 10%	544,106	818	100,500	18,800
Built before 31st Dec. 2020				
EPC Label A (in Top 15%)	4,354,949	4,919	760,300	120,000
Other in Top 15% ¹²	2,927,985	2,805	402,500	62,500
Total	7,827,040	8,542	1,263,300	201,300

- Energy savings are calculated comparing the energy consumption of the building (based on the building non renewable energy need and the climatic zone) with its relative benchmark.
- “NZEB -10%”: this category includes buildings built from 01 Jan 2021 onwards, having a non-renewable primary energy demand parameter (NREN) equal or lower to the threshold set by the CRIF report [“Percentage distribution of primary energy \(Ep\) values in the Italian national building stock”](#) to define “Nearly Zero Energy Building -10%” requirement for every climatic zone.
- EPC Label A: this category includes buildings built up to 31 Dec 2020 having an EPC label equal to A or higher¹³.
- Other in Top 15: this category includes buildings built up to 31 Dec 2020 having a NREN belonging, for each climatic zone, to the top 15% of the national residential building stock according to the CRIF report mentioned above.
- Specific GHG emission factors have been modelled with the LCA software Simapro and the LCI database Ecoinvent.

¹² Buildings belonging to the Top 15% of the national residential building stock according to Primary Energy Demand

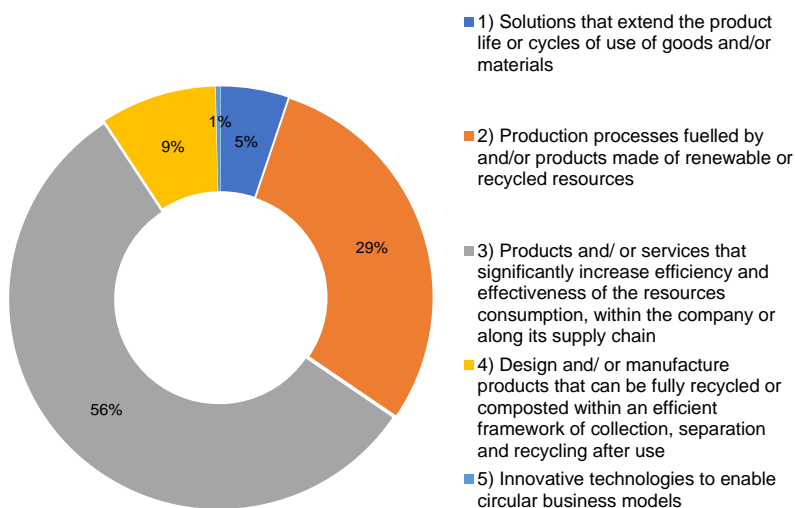
¹³ A1-A2-A3-A4

Circular Economy

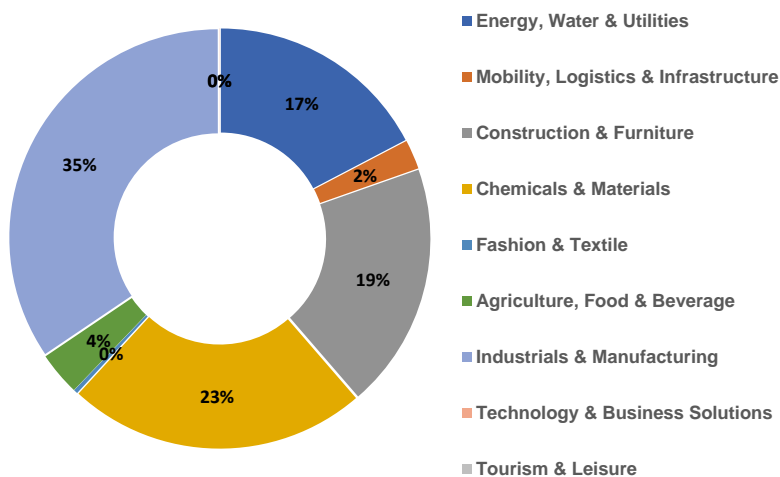
	Total Portfolio (€ mln)	2,197
	Annual avoided GHG emissions (tCO₂e)*	3,433,000
	Avoided financed GHG emissions intensity (tCO₂e / € mln)	1,562

* Calculated by multiplying the absolute avoided emissions by an attribution factor.

ALLOCATION OF AVOIDED GHG EMISSIONS BY ELIGIBLE CRITERIA



ALLOCATION OF AVOIDED GHG EMISSIONS BY SECTOR



The total amount of the eligible portfolio analyzed is equal to € 2,197 mln of outstanding and corresponds to 374 loans financed.

For each project, Intesa Sanpaolo selected the KPIs on the basis of which it evaluated annual emissions avoided. Priority was given to the objectives that can be easily quantified in terms of material resources, water and energy.

Given the heterogeneity of the circular economy projects in general, it is not possible to have a unique set of indicators that applies to everyone. We have therefore chosen to select the most significant output performance indicators for each project, and we report them below.

<i>-- Output indicators --</i>	<i>Materials, energy and other output flows</i>	<i>Avoided financed GHG emissions</i>
Amount of recovered materials thanks to product re-design, new business models and/or reverse logistics	104,010 tons	177,436 tCO _{2eq}
Increase of renewables energies utilization	233,591 MWh	159,921 tCO _{2eq}
Amount of biomethane produced	50,081,531 m ³	112,165 tCO _{2eq}
Increase of biobased/recycled materials utilization	560,860 tons	735,872 tCO _{2eq}
Amount of waste and by-products re-inputted in production processes*	1,199,314 tons	1,925,275 tCO _{2eq}
Amount of non wasted food	3,360 tons	3,347 tCO _{2eq}
Water saved or recovered	4,623,067 m ³	2,072 tCO _{2eq}
Amount of fully recyclable goods produced	153,081 tons	302,290 tCO _{2eq}
Amount of fully compostable goods produced	710 tons	2,516 tCO _{2eq}
Investments in technologies not accountable with KPIs in other CE criteria	41.69 € M	12,541.31 tCO _{2eq}

The three most effective areas in terms of the ratio of GHG avoided and the amount financed, are related to:

- the amount of waste and by-products reintroduced into production processes (ca. 5,000 tCO_{2e} / € mln): it is mainly characterized by loans that involve the recovery of waste materials from production processes and/or the sorting or collection of waste, which are then re-inputted into new production processes (e.g. the recovery of metals);
- the production of a fully recyclable product (ca. 4,500 tCO_{2e} / € mln): it is mainly characterized by loans related to the replacement of non-recyclable materials with recyclable materials;
- the increase of bio based/recycled materials utilization (ca. 1,500 tCO_{2e} / € mln): it is mainly characterized by loans related to improving the use of recycled or bio-based materials in production processes (e.g. increasing the use of recycled packaging).

<i>-- CE Eligible criteria --</i>	<i>Avoided GHG emissions</i>
1) Solutions that extend the product life or cycles of use of goods and/or materials	177,436 tCO _{2eq}
2) Production processes fuelled by and/or products made of renewable or recycled resources	1,007,957 tCO _{2eq}
3) Products and/ or services that significantly increase efficiency and effectiveness of the resources consumption, within the company or along its supply chain	1,930,694 tCO _{2eq}
4) Design and/ or manufacture products that can be fully recycled or composted within an efficient framework of collection, separation and recycling after use	304,806 tCO _{2eq}
5) Innovative technologies to enable circular business models	12,541 tCO _{2eq}

1.5 Project examples

PHOTOVOLTAIC PLAN PROJECT: VRD 27.2 Srl



The project consists in the acquisition and revamping of a ground mounted photovoltaic park for a total nominal power of 3,367.2 Kwp, located in the Municipality of Ferrara (FE).

The photovoltaic system which allowed the redevelopment of an area previously used as a landfill, is composed by 55 rotors and has a configuration featuring monocrystalline silicone modules with a monoaxial tracking system on the x east west axis capable of correcting the seasonality of shadows.

The estimated annual production of the park is 4,765 MWhe, corresponding to 1,415 Kwh/Kwp. Revamping activities improved production performance by around 10%.

The photovoltaic park was built and connected to the national electricity grid in August 2011 with a total investment cost of about 9.55 million Euro of which 0.95 million Euro revamping.

PUBLIC LIGHTING PROJECT: ESCOMAX kft

Escomax Kft. is an SPV within PLH Group established for development of public lighting projects in which 50-60% savings in electricity consumption can be realized. In this case the investment includes public lighting developments of 90-100 pieces of municipalities in Hungary in the total investment costs of HUF 2.96B and CIB Bank finances 70% of the total investment cost of the public lighting developments, dominated by lamp purchase and installation.

Escomax Kft. concludes public lighting agreement with the municipalities in which it undertakes to switch the old lamps to modern LED technology lamps. The company is the owner of the lamps while the municipality pays a service (asset usage) fee for the usage of the lamps, Operation & maintenance service is outsourced, and the electricity is paid by the municipalities directly to the electricity trader companies, therefore the Borrower has no other task and obligation than pay the debt service.

Overall the project is expected to: (1) realize min. 45% energy savings (1.800.000 MWh/year energy savings) with the implementation of the new LED lamps in case of all the municipality public lighting projects developed by the Borrower and 2) recycle about 90 tons of metal scraps recovered by dismissed old lamps.



HYDROGEN-BASED PROJECT: H2 GREEN STEEL





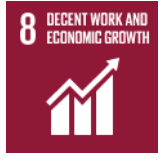

H2 Green Steel was founded in 2020 and with the purpose to accelerate the decarbonization of the hard-to-abate industries, starting with steel. The company is set to become the first industrial-scale end-to-end green steel producer.

The project represents an important landmark in the evolution of the European steel industry in that it is the first greenfield investment in steel capacity in many decades and it will introduce hydrogen-based steelmaking to the European market. Intesa Sanpaolo is acting as senior Mandated Lead Arranger, with a commitment of 225 mln EUR vis-à-vis an overall financing of 3,5 bn EUR dedicated to the mentioned project. The financing complies with LMA's Green Loan standards and it will also benefit from a EU Grant of 250 mln EUR, the largest grant ever provided to an industrial project by the EU.

Overall, the project is expected to: (1) produce 2,5 mtpa of green steel, (2) abate up to 95% of the CO₂ emissions commonly associated with the traditional blast furnace steelmaking technology, with an expected reduction of 2tCO₂/tHRC (3) use 99% of renewable energy out of total energy consumed by the Project (4) obtain 50% average scrap reutilization in production.

2.1 INTESA SANPAOLO SOCIAL CATEGORIES

The proceeds of the Intesa Sanpaolo Social Bond issued under the framework have been allocated exclusively to Eligible Loans as defined in the following list of Eligible Social Categories:

Social Eligible categories	Description ¹⁴	Impacted Sustainable Development Goals
1 - Access to Essential Services	Investments and day-to-day operations in sectors of general interest such as: Healthcare; Education; Entertainment, recreational and sports activities; Welfare and solidarity; Art and culture, including restoration of artistic heritage	
2 –Socioeconomic Advancement and Empowerment	<p>Sustainability linked loans to SMEs aimed at supporting ESG initiatives, to reach sustainable development objectives and to improve their ESG profile ('S-loans') & loans to SMEs directly aimed at supporting their digital transformation through investments in digital projects (D-loans)</p> <p>Access to affordable financial products to specific target groups: Students, Individuals with low income, Undereducated, Unemployed, Refugees, Youth, Elderlies</p> <p>Loans to fund micro-enterprises or microfinance initiatives</p>	
3 – Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises	<p>Loans to SMEs¹⁵ located in the most socioeconomically disadvantaged areas in Italy¹⁶</p> <p>Loans to companies facing natural disaster (such as earthquakes, floods, etc.), health or social emergencies and the related economic downturn</p>	
4 – Affordable Housing	<p>Loans for the construction, renovation or upgrade of facilities in order to provide access to decent housing to people with economic difficulties with a pricing below the relevant market standard</p>	

¹⁴ Consult [Green, Social and Sustainability Bond Framework](#) for further details.

¹⁵ Small and medium-sized enterprises (SMEs) are defined in the EU recommendation 2003/361: enterprises which employ fewer than 250 persons and which have either an annual turnover not exceeding €50 million, or an annual balance sheet total not exceeding €43 million.

¹⁶ Socioeconomically disadvantaged areas are defined as areas (Italian regions) with GDP per capita lower than the national average and ranking in the worst 30% in terms of unemployment rate.

2.2 INTESA SANPAOLO SOCIAL BOND OUTSTANDING

In 2023, Intesa Sanpaolo successfully placed a Social Bond (senior Preferred) dedicated to the Sterling market. It has been the second bond issued by ISP in Social format after the Senior Preferred in Euro of October 2022.

XS2545759099

Year: 2022

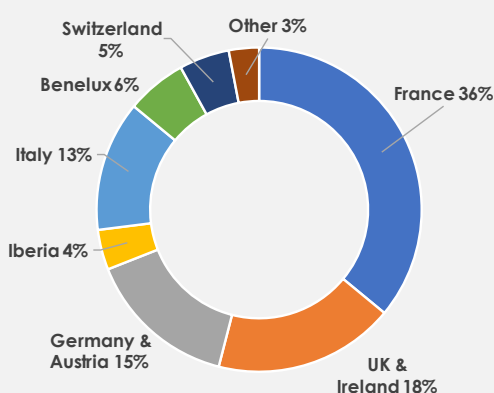
Notional: € 750 mln Senior Preferred

Tenor: 7,25 years

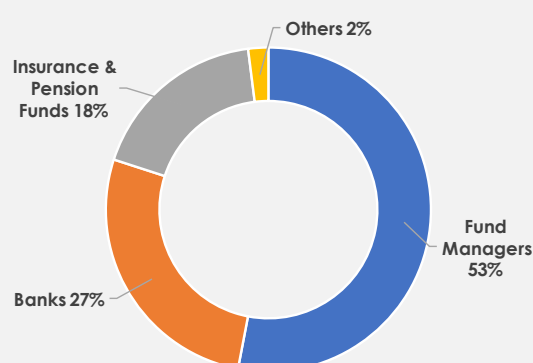
Maturity date: 13 January 2030

The final book collected orders of over € 1.3 bn from about 100 investors, allocated as follows:

ALLOCATION BY GEOGRAPHY



ALLOCATION BY INVESTOR TYPE



XS2630420268

Settlement date: 31 May 2023

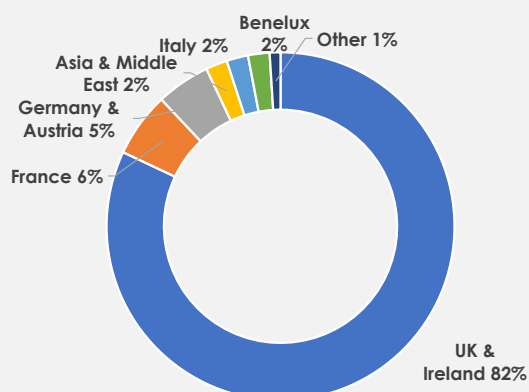
Notional: £ 750 mln Senior Preferred

Tenor: 10 years

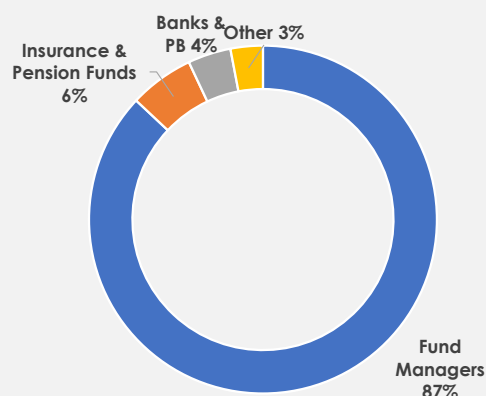
Maturity date: 31 May 2033

The final book collected orders of around £ 1.2 bn from about 100 investors, allocated as follows:

ALLOCATION BY GEOGRAPHY



ALLOCATION BY INVESTOR TYPE



2.3 INTESA SANPAOLO SOCIAL PORTFOLIO | Allocation report

OVERVIEW as of 31st December 2023

Percentage of Net Proceeds of Social Funding allocated to Eligible Social Loan Portfolio	100%
Percentage of Eligible Social Loan Portfolio financed (usage)	17%
Balance of net proceeds - (Available eligible Social loans for new issues)	€ 7,918 mln
“Access to Essential Services” Portfolio New Loans (since 31 Dec. 2022)	€ 120 mln
“Socioeconomic Advancement and Empowerment” Portfolio New Loans (since 31 Dec. 2022)	€ 143 mln
“Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises” Portfolio New Loans (since 31 Dec. 2022)	€ 955 mln

ISP SOCIAL LOAN PORTFOLIO

Eligible categories	Outstanding Amount (€)	Average tenor (years)
Access to Essential Services	1,141,043,200	8.6
<i>Healthcare</i>	391,011,008	9.0
<i>Education</i>	92,565,527	8.3
<i>Entertainment and sport</i>	115,687,498	7.4
<i>Welfare and solidarity</i>	480,155,082	8.5
<i>Art and culture, including restoration of artistic heritage</i>	61,624,084	8.9
Socioeconomic Advancement and Empowerment	681,096,502	4.5
<i>S-Loans</i>	536,695,539	4.5
<i>D-Loans</i>	13,122,529	4.3
<i>Access to affordable financial products</i>	131,278,434	-
Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises	7,708,615,197	4.9
<i>SMEs in socioeconomic disadvantaged areas</i>	3,206,718,845	6.3
<i>Relief from natural disaster and health or social emergencies</i>	4,501,896,352	3.9
Total	9,530,754,899	5.3

ISP SOCIAL FUNDING

ISIN	Allocated Amount (€)
XS2545759099	750 mln
XS2630420268 ¹⁷	863 mln
Total	1,613 mln

¹⁷ Public Issue GBP 750 mln printed in May 2023.

2.4 INTESA SANPAOLO SOCIAL PORTFOLIO | Impact report¹⁸

IMPACT REPORTING AT SOCIAL PORTFOLIO LEVEL

Eligible categories	Outstanding amount* (€ mln)	Share (%)	Number of loans	Main impacts**
Access to Essential Services	1,141	12%	10,860	<ul style="list-style-type: none"> • 8.5 million beneficiaries served • 104 thousand jobs created and retained
Socioeconomic Advancement and Empowerment	681	7%	15,510	<ul style="list-style-type: none"> • 3,906 students that, in the absence of the loan, would have had to give up on their studies • 913 S-Loans and 51 D-Loans disbursed
Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises	7,709	81%	127,520	<ul style="list-style-type: none"> • 83 thousand jobs created in 17 thousand SMEs located in socioeconomically disadvantaged areas • 6.5 thousand SMEs avoided shutdown through COVID-19 loans, retaining 60 thousand jobs
Total	9,531	100%	153,890	<ul style="list-style-type: none"> • Over 8.5 million beneficiaries served • 97 thousand jobs created • 150 thousand jobs retained

* As of 31st December 2023.

** The list is not exhaustive. For a complete impact profile of the three social eligible categories, please refer to the sections below.

2.4.1 | Impact report - Access to Essential Services

The “Access to essential services” category consists of loans granted to no profit organizations that invest in the following sectors of general interest:

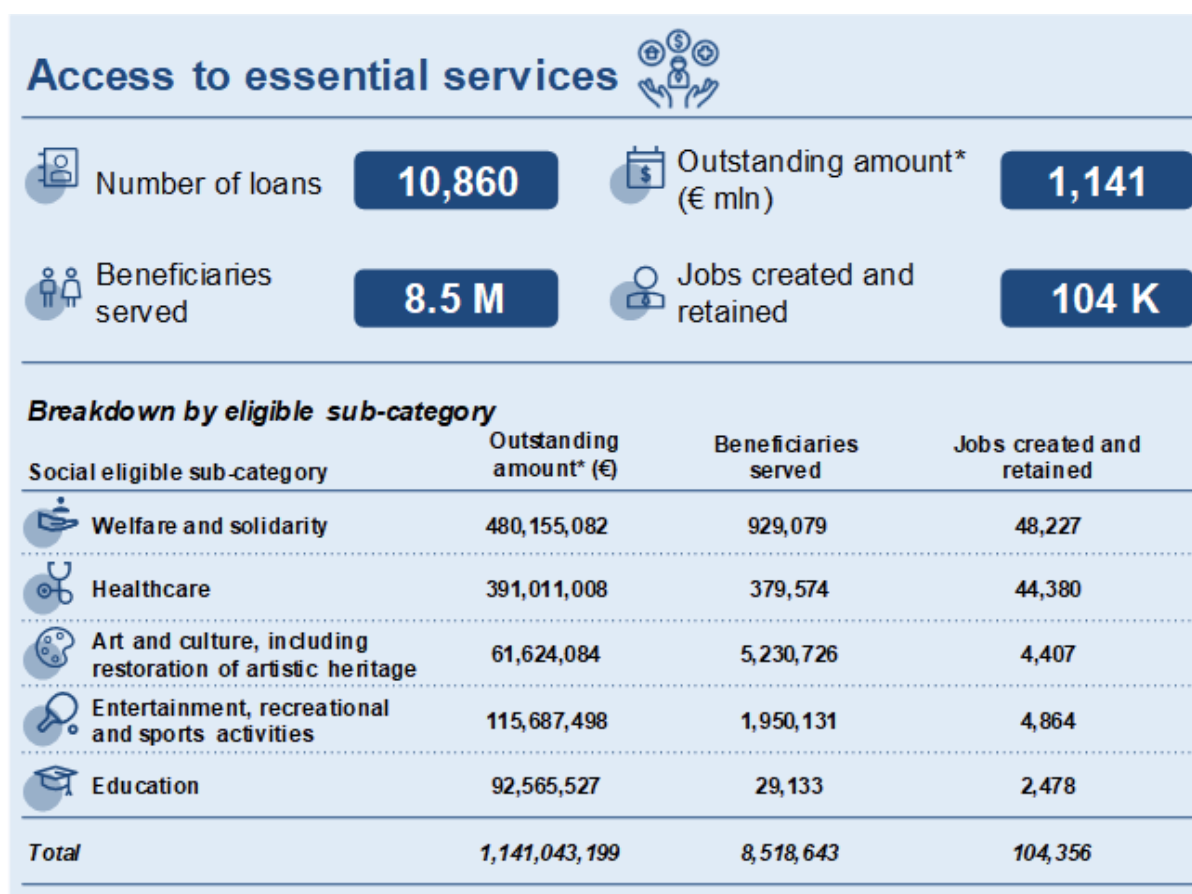
- Welfare and solidarity (child welfare, child services and day care, youth services and youth welfare, family services, etc.),
- Healthcare (healthcare facilities, home care facilities for elderly, seriously ill or disabled people, etc.),
- Art and culture (cultural and artistic events, conservation of cultural heritage, etc.),
- Entertainment, recreational and sport activities (amateur sport, training, physical fitness and sport competition services and events, recreational facilities, and services, etc.),
- Education (school, university, and campus facilities, including student housing, and vocational training centres, etc.).

The impact generated by these types of loans falls within two main categories:

- i) the impact generated by the loans on the organizations, calculated in terms of **jobs created and retained**; and

¹⁸ Intesa Sanpaolo was supported by PricewaterhouseCoopers Business Services S.r.l. in the development of the impact assessment analyses presented in this section (with the exception of S-Loans and D-Loans categories).

- ii) the impact generated by the organizations on the communities benefitting from the financed initiatives, measured in terms of **beneficiaries**.



* As of 31st December 2023

METHODOLOGICAL APPROACH

A survey¹⁹ involving a large share of borrowers in 2022 was the basis for the impact assessment of the “Access to Essential Services” category. As the survey was not available for every organization in the portfolio, a projection was carried out through methods of statistical inference as explained below:

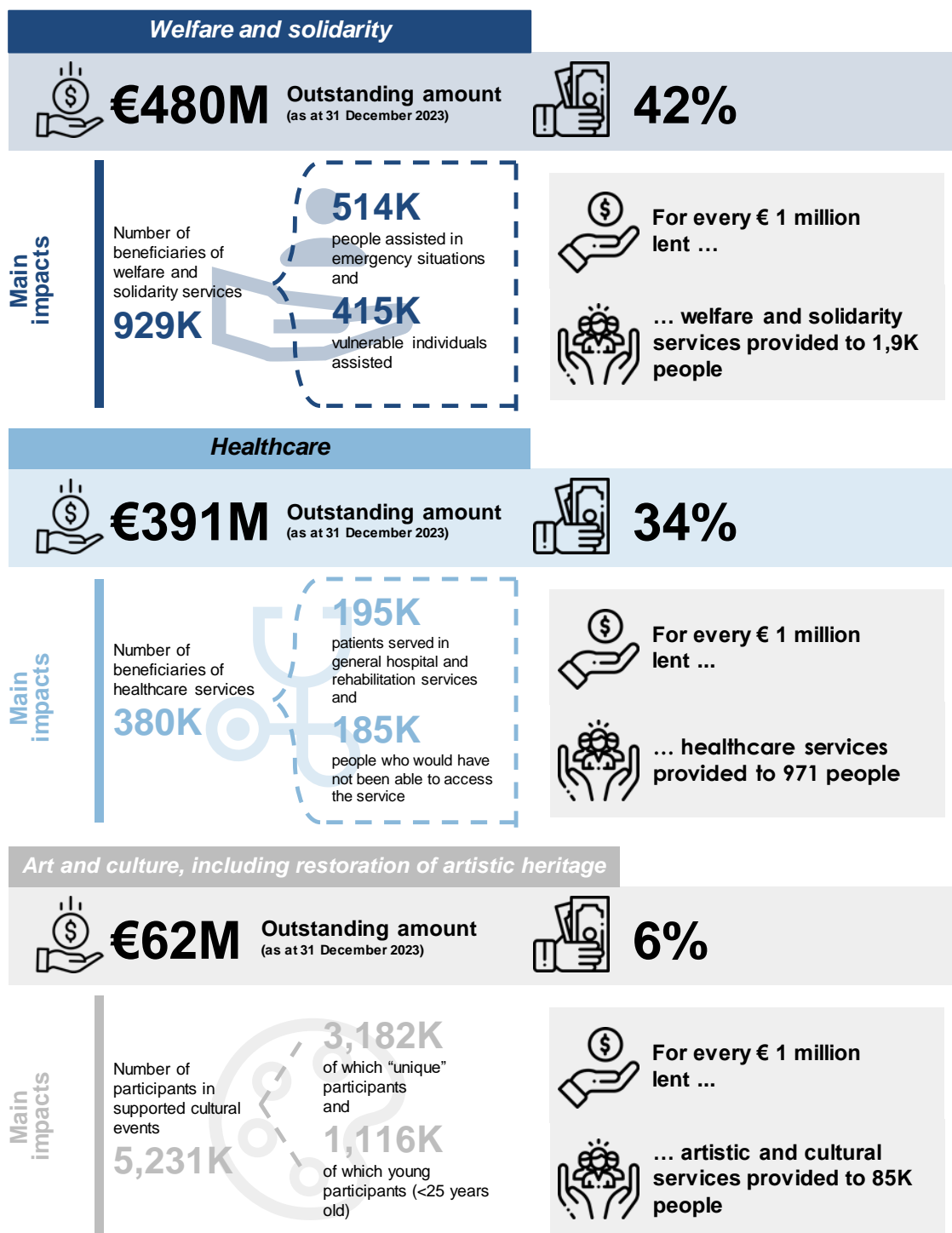
- Considering the organizations in the sample of respondents, for each subcategory (Healthcare, Welfare and solidarity, Art and culture, Entertainment, Education), marginal impact measures on specific indicators (e.g. people assisted per € mln lent) were calculated.
- Clustering the organizations in the sample of respondents by sector (NACE code), it was possible to detect, for each sector, the average allocation of the funds borrowed across the five eligible sub-categories.
- Assuming that organizations belonging to the same economic sector would allocate the funds received following the same pattern, allows to estimate the expected amount of residual debt that each organization will invest in each of them.
- The overall **impact generated by the whole portfolio** has been finally calculated multiplying the **expected share of residual debt** allocated in each eligible sub-category by the **marginal impact measures** of each of the 5 sub-categories.

¹⁹ The collection of questionnaires started in January 2022 and is still ongoing. The questionnaires collected in 2022 and 2023 cover 49% of the outstanding amount of the social portfolio. The number of respondents is increasing over time; it is therefore expected that the coverage of the outstanding amount will also increase for the next editions of this report. It is important to note that the respondents are surveyed in an ex-ante phase (i.e. when the credit is disbursed to them). Therefore, the estimates presented in this section are elaborations carried out on the effects produced by the organizations according to their own knowledge.

The impact generated by the organizations on the community

The funded initiatives encompass different types of beneficiaries, from patients in healthcare services to participants in sporting events²⁰.

The images below present specific output indicators for each of the 5 sub-categories. Please note, estimates of the number of individuals reached every year by the funded initiatives were calculated considering all initiatives at full operational capacity.



²⁰ Please note that in sub-categories such as "Art and culture, including restoration of artistic heritage" and "Entertainment, recreational and sports activities" the wide range of beneficiaries that those kinds of initiatives can attract allows for the possibility that an individual may benefit from the funded initiatives repeatedly.

Entertainment, recreational and sports activities



€116M

Outstanding amount
(as at 31 December 2023)



10%

Main
impacts

Number of
beneficiaries of
entertainment,
recreational and
sports activities

1,950K

843K

beneficiaries of
entertainment
and recreational activities
and

1,107K

participants of sporting
events or sport activities



For every € 1 million
lent ...



... entertainment,
recreational and sports
activities provided to 17K
people

Education



€93M

Outstanding amount
(as at 31 December 2023)



8%

Main
impacts

Number of
beneficiaries of
educational
services

29K

11K

students served (primary
school, secondary school
and university)
and

18K

adults with gained
access to education or
vocational training



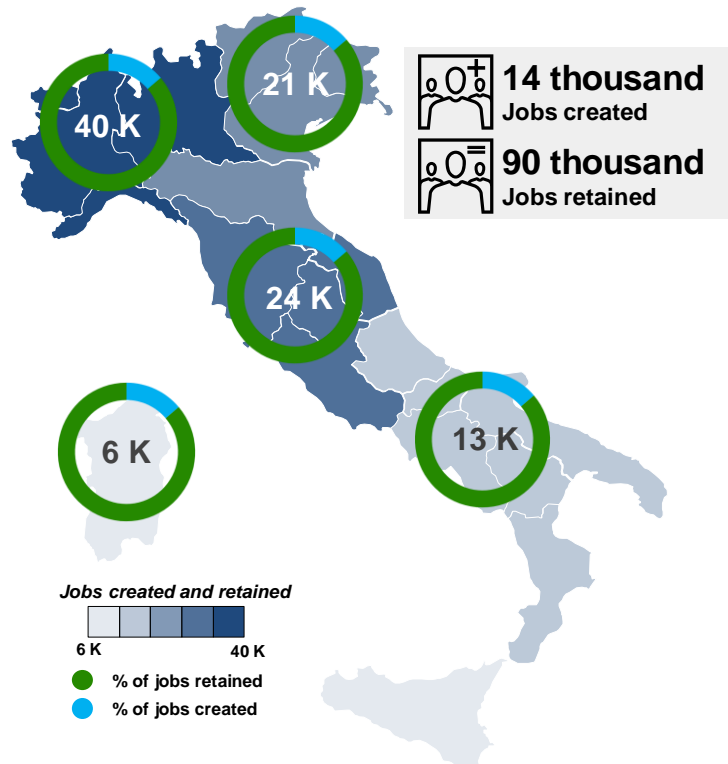
For every € 1 million
lent ...



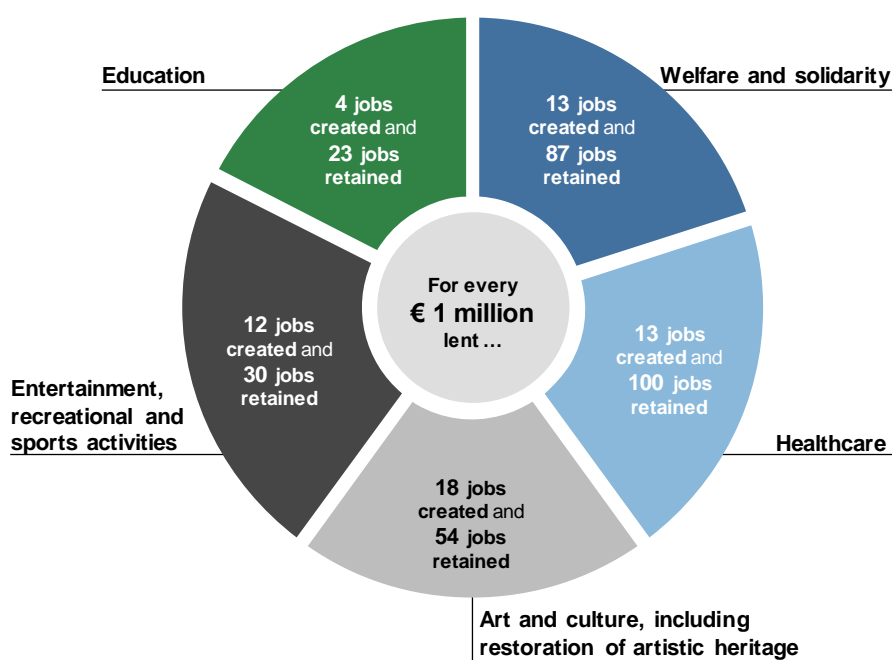
... educational services
provided to 315 people

The impact generated by the loans on the organizations

In addition to the positive impacts generated on the supported communities, the disbursement of loans also produces an impact on no profit organizations. Such impact is measured in terms of job retention and creation.



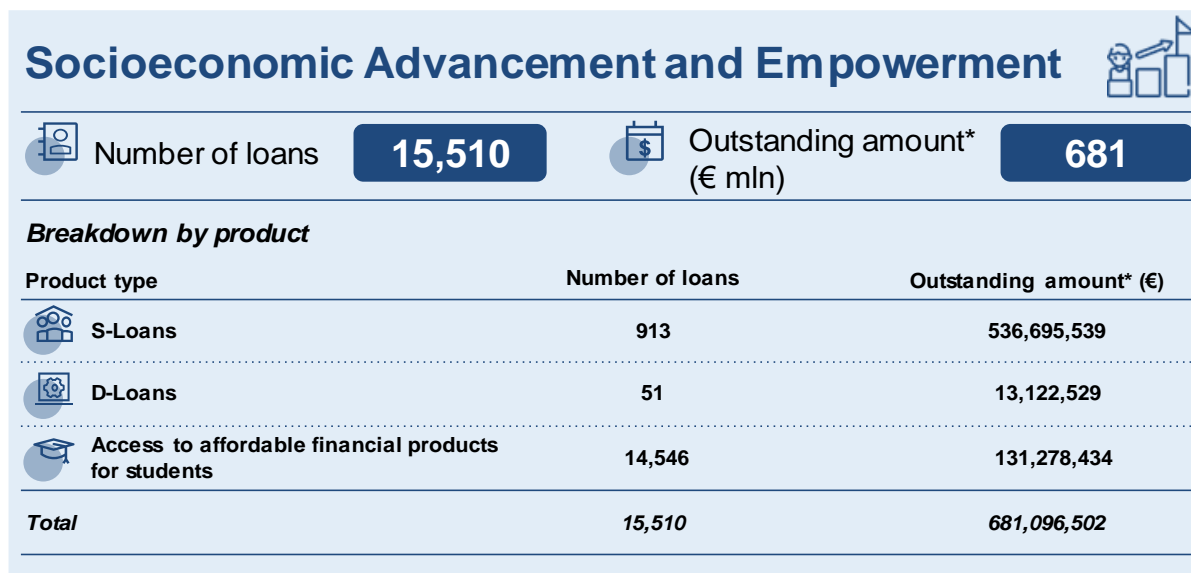
Job creation and retention can be analysed also from a sectoral standpoint: the following infographic illustrates a marginal impact measure (i.e. the amount of impact generated per € 1 million financed by Intesa Sanpaolo) per eligible sub-category.



2.4.2 | Impact report - Socioeconomic Advancement and Empowerment

The “Socioeconomic Advancement and Empowerment” category includes:

- S-Loans and D-Loans, whose goal is to assist SMEs in achieving respectively their ESG and digitization objectives.
- Access to affordable financial products for students provided through “per Merito” loans: funding directed at deserving tertiary education students.



* As of 31st December 2023.

METHODOLOGICAL APPROACH

The impact assessment of the “Socioeconomic Advancement and Empowerment” category is based on different data sources which vary based on the type of product. For S-Loans and D-Loans, it relies on the bank’s internal database on borrowers. For Access to affordable financial products for students, it relies on the outcome of a survey²¹ carried out on a large share of borrowers from 2019 to 2023.

S-Loans and D-Loans

Regarding the S-loans and D-loans sub-categories, the social impact is calculated on the basis of the bank’s internal records. As far as the S-Loans are concerned only businesses that selected at least one social KPI have been included in the portfolio. When a business selects one social KPI and one non-social KPI (e.g. environmental KPI), only the fraction of the outstanding amount linked to the social KPI falls within the perimeter of the portfolio (i.e. 50% of the outstanding amount).

Access to affordable financial products for students



This sub-category relies on a questionnaire developed by Intesa Sanpaolo that was submitted to a large share of recipients of the “per Merito” loan.

- The information gathered on the students - region of residence, the level of tertiary education pursued and an assessment on whether they would have changed their life plans had they not received the loan from the bank - allowed to estimate the **average impact** that the loan has on students with specific characteristics (45 clusters have been created).
- The overall impact has been computed extending the impact results to the whole portfolio of students on the basis of their characteristics (according to their belonging cluster).

²¹ The collection of questionnaires started in December 2020 and is still ongoing. The collected questionnaires cover 65% of the outstanding amount. The number of respondents is increasing over time; it is therefore expected that the coverage of the outstanding amount will also increase for the next editions of this report.

S-Loans

Sustainability-linked loans to SMEs aim at improving the borrower's ESG profile. Predefined KPI in Environmental, Social or Governance space can be selected. Among the S-Loans disbursed, the eligible portfolio is identified by selecting only loans linked to social KPI.

S-Loans		
 913 loans	 €537M	Outstanding amount (as at 31 December 2023)
Social KPIs	Number of loans	Outstanding amount (€)
Businesses promoting the role of women in society	90	49,253,671
Businesses promoting sustainability by customers and/or suppliers	273	149,814,575
Businesses allocating a share of their turnover to support communities	501	310,590,657
Businesses committing to hire a share of female employees	49	27,036,636
Total	913	536,695,539

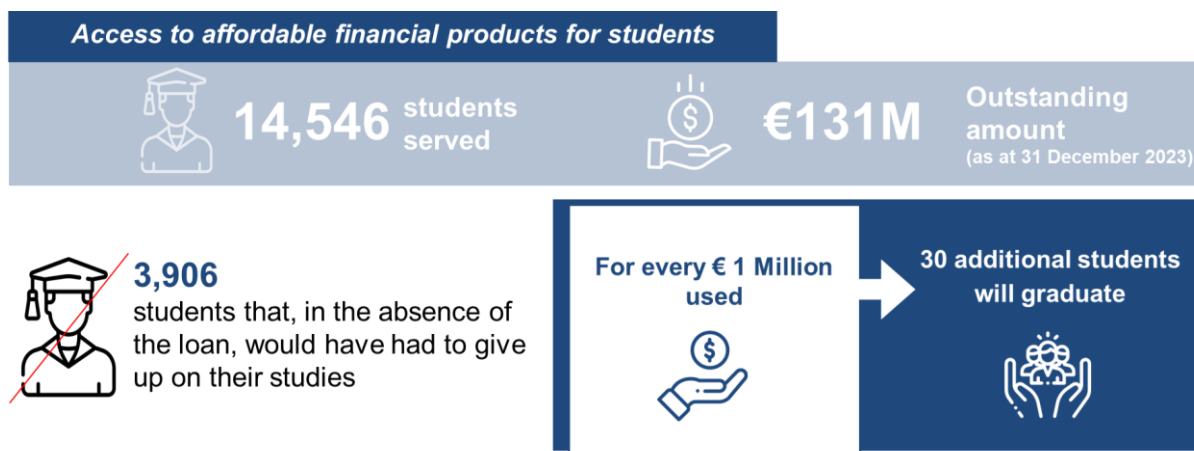
D-Loans

The D-Loans portfolio consists of loans to SME's aimed at supporting them in the digital transformation. Among the areas where companies can choose to engage, the portfolio includes solutions and initiatives to: manage and mitigate cybersecurity risks, enable broadband usage to allow everyone to be connected, implement employee training programs on digital transition topics, access work tools that enable remote digital collaboration, enable digital sales channels, allow digital payments, introduce cloud technology, digital interaction systems/software and remote customer support (e.g. chat / chatbots).

D-Loans		
 51 loans	 €13M	Outstanding amount (as at 31 December 2023)

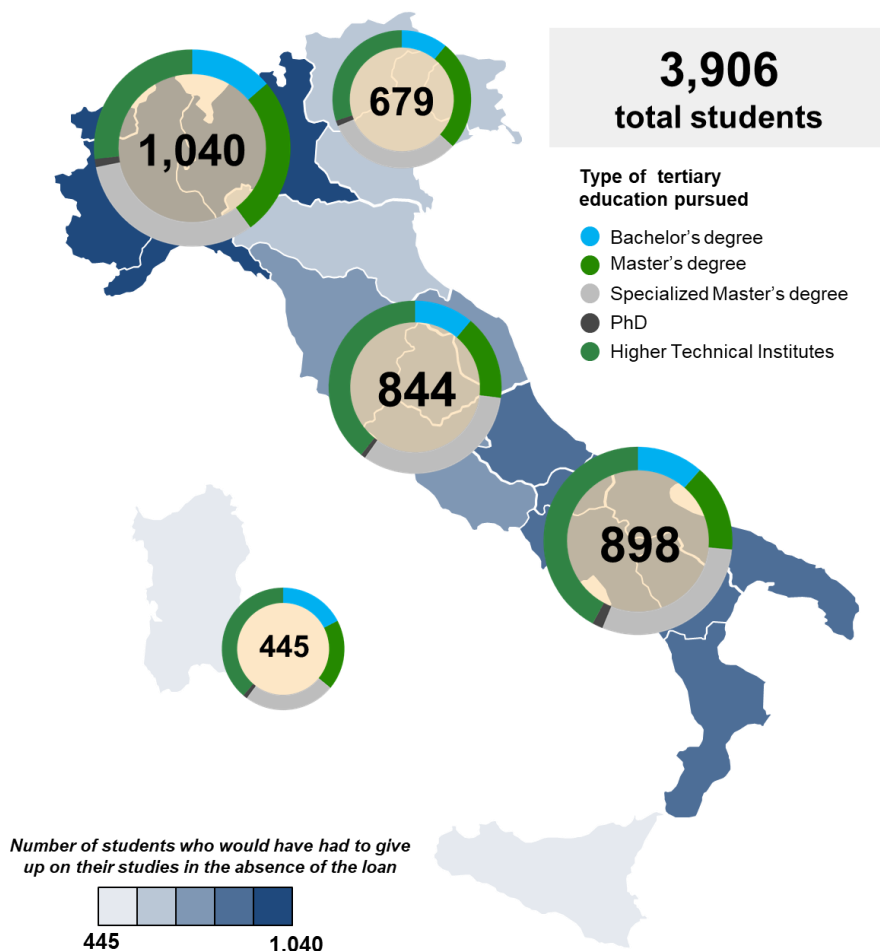
Access to affordable financial products for students: “Per Merito” loans

“Per Merito” is the first credit line without collateral dedicated to deserving university students. The impact of these loans is assessed through two main indicators: students served and students that, in the absence of the loan, would have had to give up on their tertiary education.



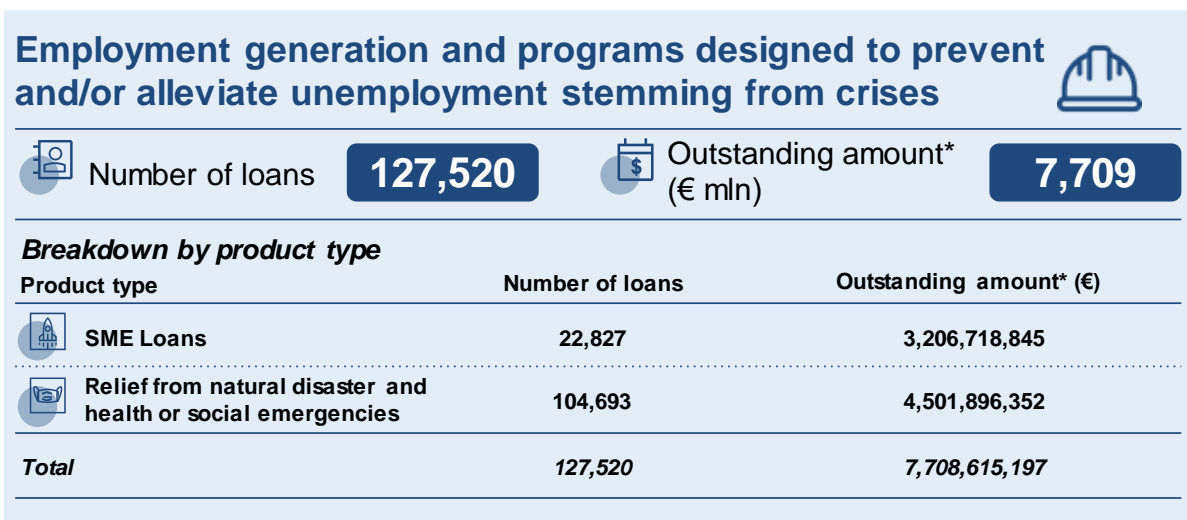
The figure below shows, for each of the 5 Italian macro-regions, the number of students that were able to continue their studies thanks to the student loan, and the type of tertiary education pursued by these groups of students as a percentage of the total.

Number of students who would have had to give up on their studies in the absence of the loan, by geography and type of tertiary education pursued



2.4.3 | Impact report - Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises

“Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises” category includes loans to SMEs²² in socioeconomically disadvantaged areas²³ and loans partially guaranteed by the government to help SME's in socioeconomically disadvantaged areas to recover from the COVID-19 pandemic.²⁴



* As of 31st December 2023

METHODOLOGICAL APPROACH

The impact assessment of the category “Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises” relies on the use of financial statements and other information gathered on a large share of representative clients.

SME Loans

The latest financial information is available for a large majority of SME clients²⁵; this allows to calculate the direct impact at the single loan level for nearly all loans in the portfolio.

The forecast is based on the following assumptions: (a) all the funds borrowed are invested by the firm (no leftovers)²⁶ and (b) funds are invested in long term activities/assets (no current expenses).

Three multipliers were created for each business: (i) production value generated, (ii) value added generated and (iii) jobs created - each of those expressed per euro of the SME's long-term assets. These were then multiplied by the residual debt amount of each corresponding entity to yield the three impact measures.

²² SMEs are defined in EU recommendation 2003/361 as businesses having a staff headcount of less than 250 (for medium-sized), 50 (for small-sized) or 10 (for micro-sized) and either a turnover less than or equal to, respectively, € 50 mln, € 10 mln and € 2 mln or a balance sheet total less than or equal to, respectively, € 43 mln, € 10 mln and € 2 mln.

²³ Socioeconomically disadvantaged areas are defined, in line with the Bank's “Green, Social and Sustainability Bond Framework” of June 2022, as areas (Italian regions) with GDP per capita lower than the national average and ranking in the worst 30% in terms of unemployment rate. Using the latest available Istat data these are: Molise, Campania, Puglia, Calabria, Sicilia and Sardegna.

²⁴ COVID-19 loans to SMEs located in socioeconomically disadvantaged fall under the “Relief from natural disaster and health or social emergencies” sub-category.

²⁵ 98% of the outstanding amount.

²⁶ It is assumed that customers invest the funds in new tangible and intangible assets that increase the output capacity and the value added generated, as well as the need for additional workforce.

Relief from natural disaster and health or social emergencies (COVID-19 Loans)

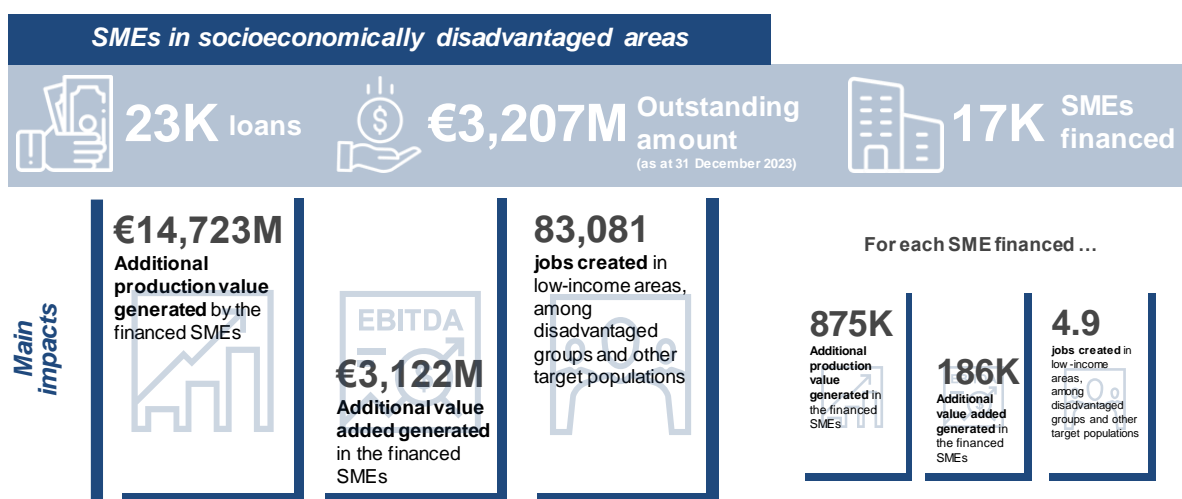
The latest financial information is available for a large share of SME clients²⁷; this allows to cluster businesses according to their financial condition as defined by a recent CERVED study²⁸, thereby linking each business to a default probability.

Furthermore, through the ratio between the number of defaults and the number of shutdowns in SMEs (retrievable from ISTAT official national statistics) by economic sector (NACE codes), it is possible to project the overall number of businesses that remained active thanks to the loan (i.e. shutdown avoidance).

Finally, the impact of the single loan is based on the assumption that a default or business closure would result in losing: (a) the entire production value, (b) the value added generated by the firm and (c) its employees

SMEs in socioeconomically disadvantaged areas

Loans directed at Italian small and medium-sized enterprises in socio-economically disadvantaged areas are assessed through three main impact indicators: additional production value generated thanks to funding, additional value added generated, and jobs created.

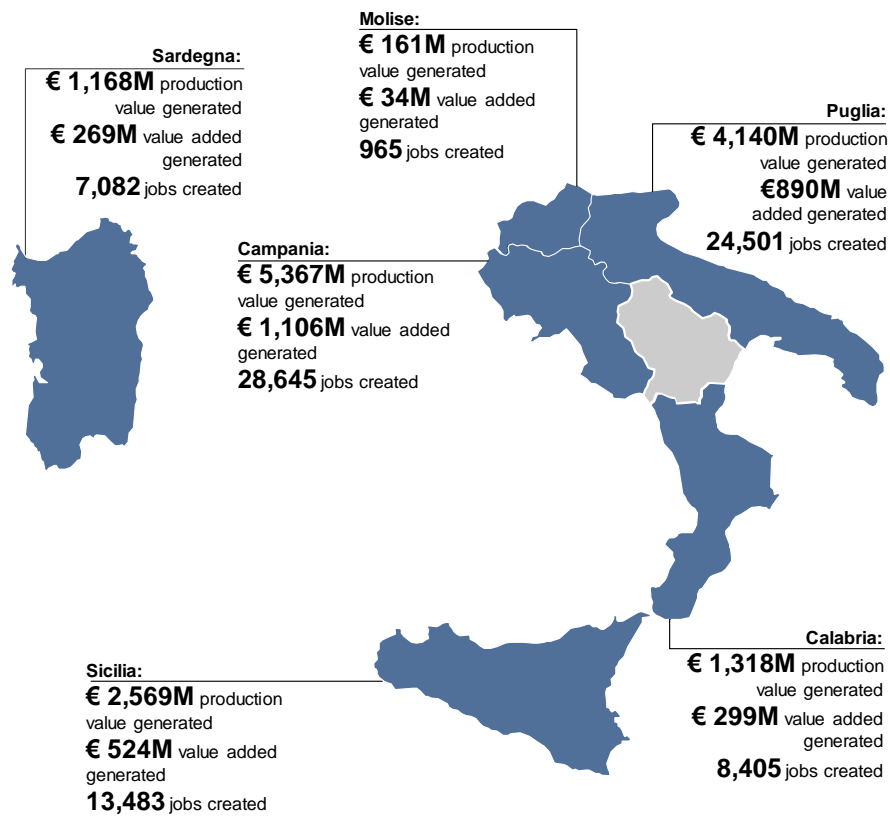


The impacts can also be analysed from a geographical, business size and sectoral point of view: the following infographics illustrate the three main impacts divided by socio-economically disadvantaged region, enterprise size (micro, small and medium) and economic activity.

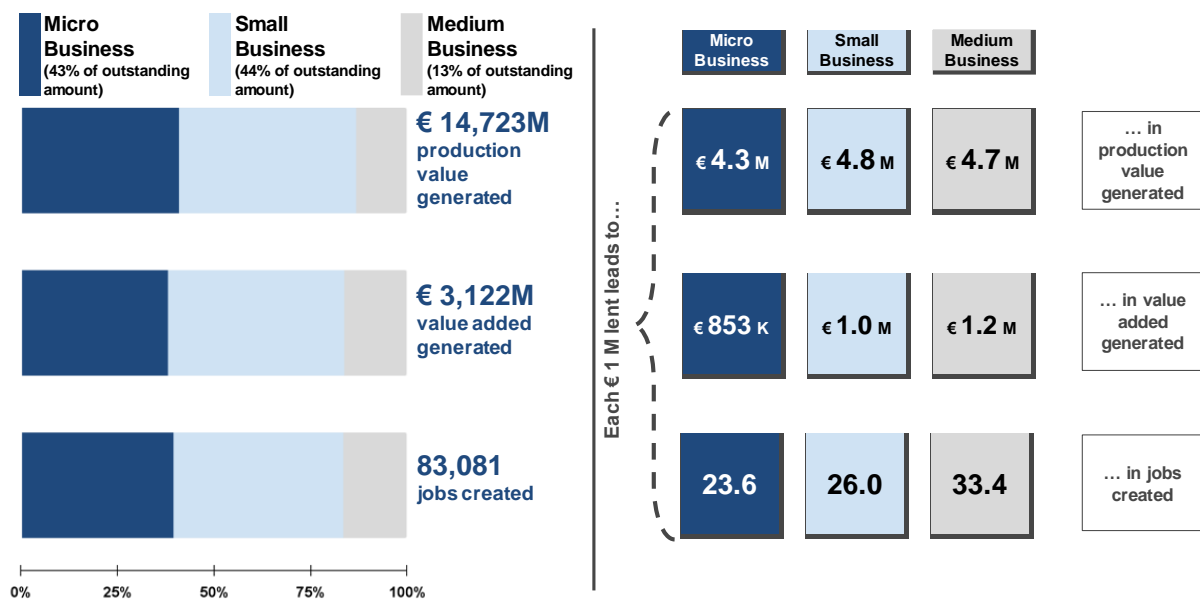
²⁷ 77% of the outstanding amount.

²⁸ A recent CERVED study estimates the share of Italian SMEs (in different financial conditions) which, during the pandemic, could have avoided default through a liquidity injection.

Impacts by socio-economically disadvantaged Region

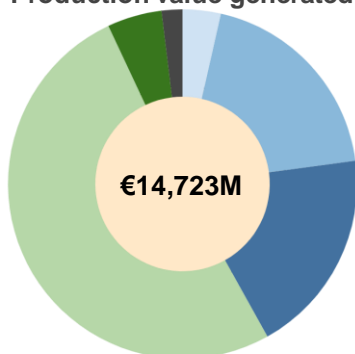


Impacts by business size

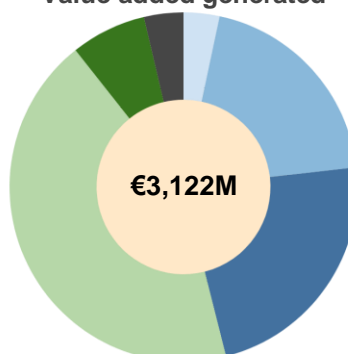


Impacts by economic sector

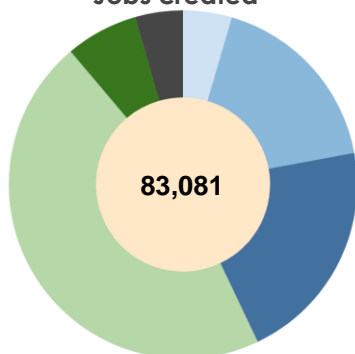
Production value generated



Value added generated



Jobs created

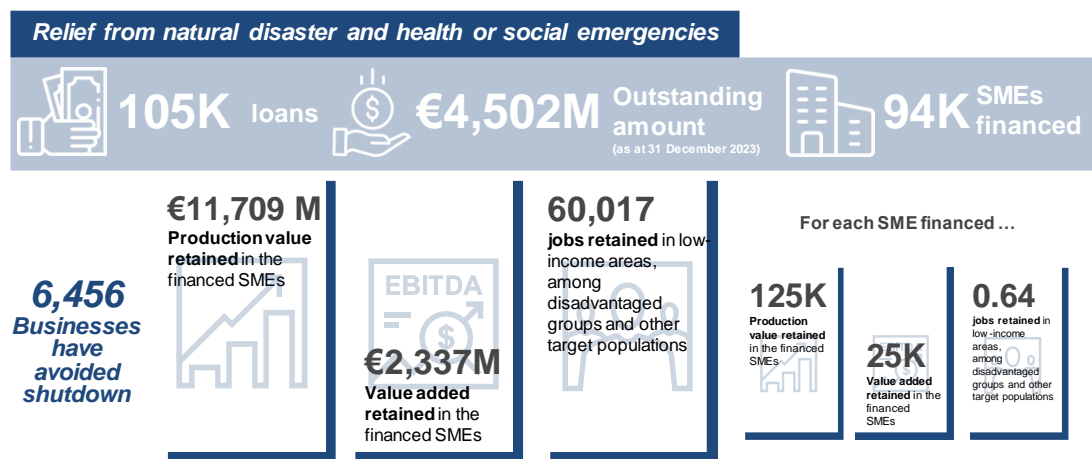


Sector

- Agriculture
- Industry (excluding construction)
- Construction
- Wholesale and retail trade, transport and storage and accommodation and restaurant services
- Communication and financial services, real estate activities, professional and scientific activities, travelling services
- Education, healthcare, social assistance, artistic and sports activities, and other services

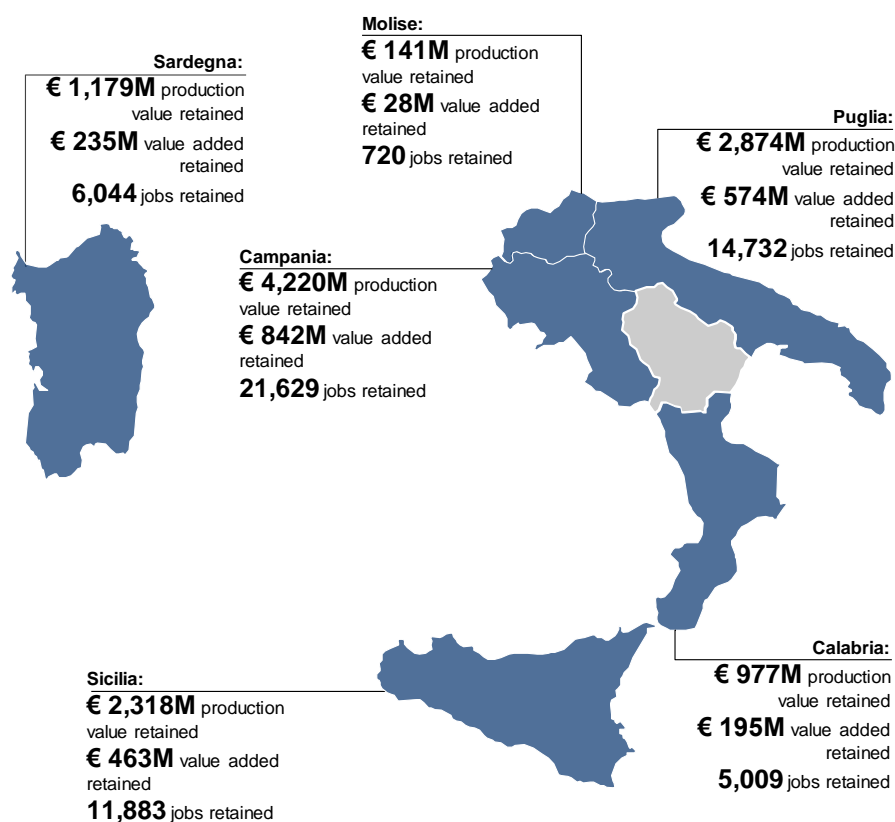
Relief from natural disaster and health or social emergencies

The “Relief from natural disaster and health or social emergencies” sub-category is comprised of COVID-19 loans. These credit lines, partially guaranteed by the government, are disbursed by Intesa Sanpaolo to help SMEs recover from the economic crisis caused by the pandemic. The impact of these loans is assessed through a “shutdown avoidance model”²⁹ that estimates the amount of production value, value added and number of jobs retained thanks to the disbursement of loans and the consequent shutdown avoidance.



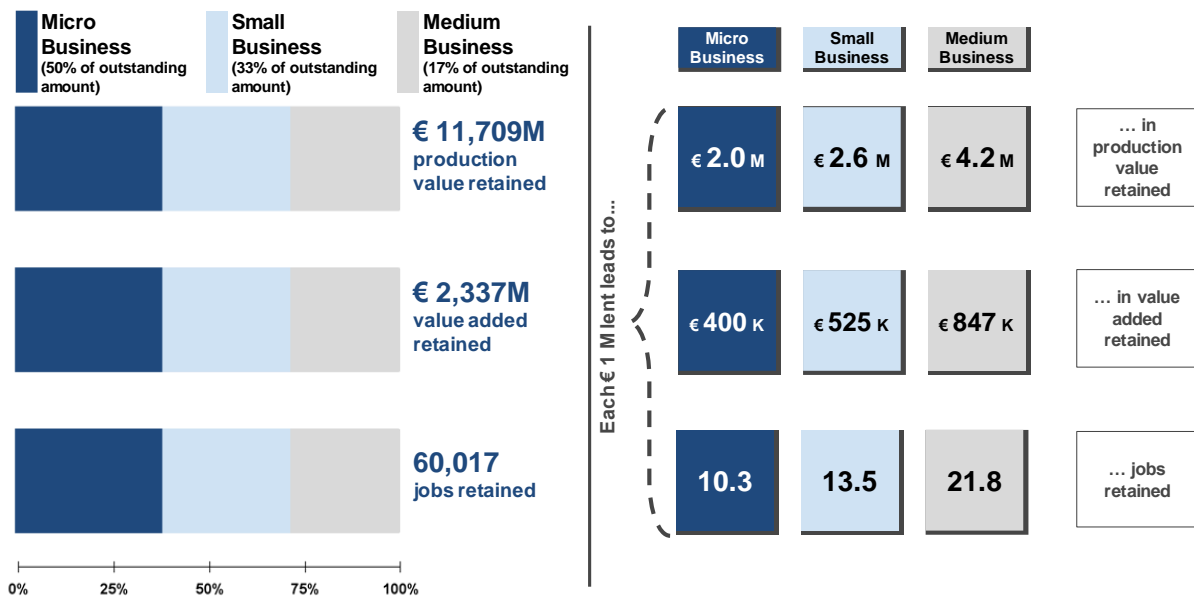
These three impacts can be analysed also from a geographical, business size and sectoral point of view: the following infographics illustrate the impact indicators divided by socio-economically disadvantaged region, enterprise size (micro, small and medium) and economic activity.

Impacts by socio-economically disadvantaged Region

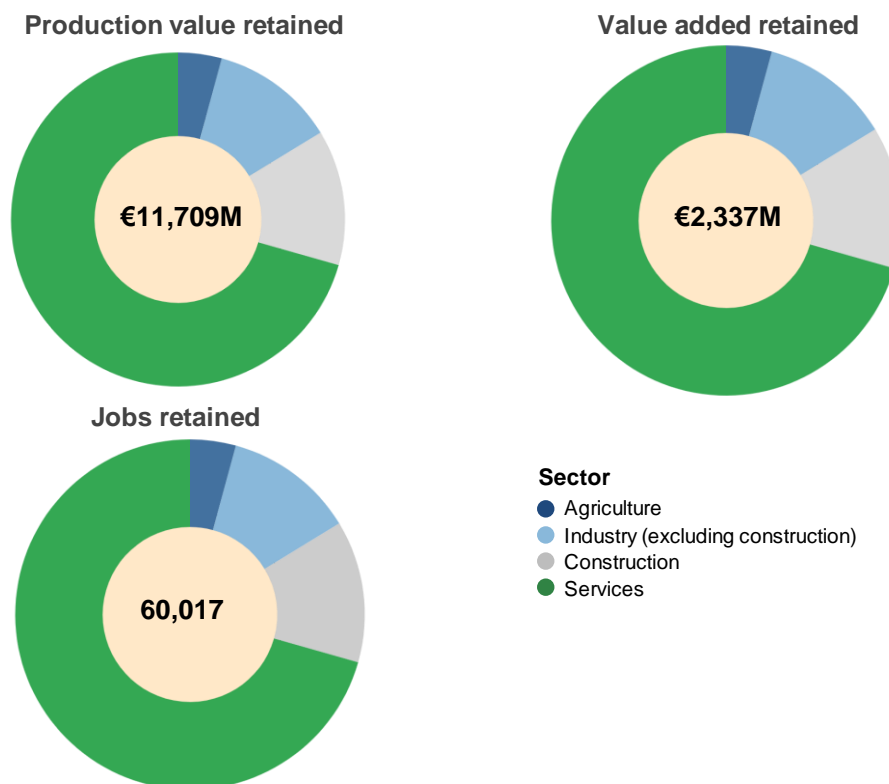


²⁹ The developed methodology assumes that the funding was used for working capital and other operating expenses and, in some cases, this proved crucial in avoiding voluntary business shutdowns. Such a methodology also allows to estimate the impacts stemming from default avoidance. Specifically, through the COVID-19 loans, 689 businesses have avoided default, retaining € 1.7 billion in production value, € 338 million in value added and more than 9 thousand jobs. Nonetheless, these estimates should be considered an alternative scenario to the “shutdown avoidance” results and are thereby excluded from this report.

Impacts by business size



Impacts by economic sector



2.5 Project examples

ASSOCIAZIONE “SABIR”



“Associazione Sabir” offers support in terms of assistance, empowerment, working for economic, social and cultural development in the Mediterranean area. In the last two years, over 5.000 people have approached its office for vulnerable individuals and over 2.200 migrants have sought assistance, with a total number of socio-assistance interventions amounting to 13.000. At the “A casa di Iulia” center for minors with autism spectrum disorders and behavioral issues, over 50 children are engaged daily in cognitive-behavioral therapy sessions. Additionally, 5 young adults with autism spectrum disorders have been involved in the “Fuori dal centro” programme for acquiring individual autonomy. Sabir manages a room for protected listening for minors who are victims of violence or in situations of

family distress, hosting over 200 protected listening sessions from 2021 to date. Approximately 20 elderly individuals with Alzheimer’s participate in activities at the Alzheimer’s Cafe, and dozens of women benefit from the training and socialization activities of the solidarity tailoring workshop.

COOPERATIVA “LIBERAZIONE E SPERANZA”

“Liberazione e Speranza” is a social cooperative that works to combat gender violence, sexual and labor exploitation, discrimination; it practices restorative justice through direct services and residential reception for people in need of protection. It is governed by a female-only Board. The project at hand envisages the activation of a social commercial service in the tailoring sector, aiming to create a highly professional service for an entire city. Partner companies are selected based on the sensitivity and ability to support the social struggles of women involved in job placement paths and that decide to start autonomy paths in a protected manner with the tools of training internships. Added to this is the ability to connect the art of the artisanal craft of tailoring by hiring a retired professional to produce clothes for personal use of the highest standard. The project idea is to implement a new clothing and production business, through the activation of a laundry, ironing and tailoring shop with home delivery that shall be structured starting a commercial activity in areas of great demographic expansion in the city of Novara. An innovative tailor-made service that could combine the needs of newly established families and/or new homes, as well as responding to the needs of the elderly population while also addressing the socio-relational difficulties of some target groups to which the service itself is addressed.



FONDAZIONE “IL DOMANI DELL’AUTISMO”



Foundation acquired in 2022 a housing complex with adjacent land immersed in greenery. This will be renovated to create a small village for people with vulnerabilities: the elderly and individuals with autism or intellectual disabilities will be able to live in a protected, but not institutionalized, environment, to establish a community. The complex will include barrier-free apartments assigned, following a joint assessment of cases by the three entities managing the structure, to self-sufficient elderly people who need logistical support in daily activities, transport and bureaucratic procedures.

Services planned include a medical studio, bakery shop, restaurant and leisure centres (library, cinema-theater, gym). Maintenance of the housing complex and management of activities will be entrusted to individuals with autism or other intellectual disabilities supervised by educational and technical staff. Cultivation of vegetables and aromatic plants is also planned. Elderly residents will contribute their experience to help individuals with disabilities in carrying out various activities, effectively creating an educating community.

3. Intesa Sanpaolo's environmental and social commitment: an ongoing and consistent path from the green, circular and ecological transition to financial inclusion

The growth strategy of the Intesa Sanpaolo Group aims at creating solid and sustainable economic and financial, social and environmental value, built on the trust of all its Stakeholders and based on the values set out in the Code of Ethics.

Intesa Sanpaolo is aware that a large banking group has a significant influence in terms of environmental and social sustainability, both in the short and long term, backing the fight against climate change, helping the transition to a low carbon economy and providing support towards a sustainable economy with dedicated financial products and services and through an activity of client engagement and training. Intesa Sanpaolo has always been committed to promoting environmental sustainability, focusing not only on climate change – an issue which has high relevance for stakeholders - but also aiming at the conservation of nature.

Moreover, the Group is also inspired by the "Just Transition" principles, according to which the transition to greener, more resilient and climate-neutral economies and societies must take place fairly and leave no one behind.

To this extent, the Bank has always attributed central importance to the economic and social growth of the communities in which it operates, a fundamental element that is deep-rooted in the Group's history and way of operating. The Group's activities, benefiting society, include initiatives to support the Third Sector and the financial inclusion of groups that find it difficult to access credit despite their potential.

The Intesa Sanpaolo Group has committed to contribute to achieving global climate goals, facilitating the transition to a low-carbon economy, aware of the risks and opportunities presented by the new operating and regulatory context, both current and prospective, induced by climate change. The Group's commitment was confirmed in 2021 through the adhesion to the main Net-Zero initiatives promoted by UNEP FI for all of its main business lines, and further reinforced in the 2022-2025 Business Plan.

As indicated in its Business Plan, Intesa Sanpaolo is aware of the need to safeguard, protect and promote Natural Capital. The development of a biodiversity policy is expected within the horizon of the 2022-2025 Business Plan. Also within the Business Plan, the commitment was taken to protect and restore natural capital, preserving and planting up to 100 million trees directly as a Group or with dedicated financing for its clients. In this regard, the Think Forestry initiative, launched in November 2023, will enable Intesa Sanpaolo customers to play a leading role in protecting and strengthening forests through a programme providing access to a network of first-rate national and international forestry initiatives, while also offering innovative tools to support companies in their efforts to reduce CO2 emissions and manage residual emissions.

Active support to individuals and businesses committed to reducing their environmental footprints, come through the further promotion of green products and services. Intesa Sanpaolo has announced, within a total of over €400bn of new lending available over the NRRP (National Recovery and Resilience Plan) horizon, a total of €76bn to finance green and circular economy (the latter with a dedicated plafond of 8 billion over the period) and the ecological transition and €12bn to finance green lending to individuals (mainly mortgages). Further issuances of bonds under the Bank's Green, Social and Sustainable Framework are expected during the course of the Plan.

The Business Plan also strengthened the focus on social initiatives and related financial support with the inclusion of a specific target to make available €25bn of new social credit throughout the Plan. The Group's intervention is carried out through initiatives aimed at helping to create business and employment opportunities and also to assist people in difficulty through a number of activities: microfinance, anti-usury loans, products and services to support the Third Sector and financial inclusion of vulnerable groups, with particular reference to young people, their education and training and loans to support people affected by disasters. With specific reference to the Third Sector, Intesa Sanpaolo has been working on the Impact evaluation of loans disbursed. The Fund for Impact has also been confirmed, in order to provide direct support to people who cannot access credit through traditional financial channels, with dedicated programs among which stands out Per Merito, the loan dedicated to university students. With the new Plan, the Group has also committed itself to supporting

credit for urban regeneration, through new financing to support investments in student housing and sustainable infrastructures.

In 2023 Intesa Sanpaolo ESG commitment has been further reinforced through a contribution - expected to be equal to a total amount of around €1.5bn in the five-year period 2023-2027 - to support initiatives addressing social needs and involving around 1,000 people devoted to supporting these initiatives. In addition, a new organisational unit has been set up, named "Intesa Sanpaolo for Social Impact" and based in Brescia, with steering function in the Group's social impact activities, to strengthen the bank's social impact strategy for the country, the territory and the communities.

In 2023, the Group, in relation to the €8bn circular economy credit facility, disbursed €5.6bn (of which €4.7bn related to green criteria) and around €1.7bn in S-Loan, the Intesa Sanpaolo financing solution aimed at financing SMEs sustainable growth projects, associating their economic and financial decisions with their environmental and social impacts, and assisting them on the path to structural change.

In terms of social lending the Group disbursed €5.5bn, equal to 9.1% of all Group's loans and €252m specifically to Non-Profit organizations.

The long-term attention to environmental, social and climate-related issues is also expressed through the participation in a series of national and international initiatives and has led over the years to adhere to numerous international standards, amongst which the UN Global Compact, UNEP FI, the related Principles for Responsible Banking (PRB) and follow the TNFD Forum.

Intesa Sanpaolo's commitment to sustainable finance is also recognised by market participants and reflected in its positioning in the main ESG indices and rankings: among others, it is included in the 2024 Corporate Knights "Global 100 Most Sustainable Corporations in the World" Index and it is the only Italian bank listed in the Dow Jones Sustainability Indices.



Intesa Sanpaolo S.p.A.

Independent Auditors' report on the section "Intesa Sanpaolo Green Portfolio - Allocation Report" and "Intesa Sanpaolo Social Portfolio - Allocation Report" of the Green and Social Bond Report 2023

31 December 2023



EY S.p.A.
Via Meravigli, 12
20123 Milano

Tel: +39 02 722121
Fax: +39 02 72212037
ey.com

Independent Auditors' report on the section "Intesa Sanpaolo Green Portfolio - Allocation Report" and "Intesa Sanpaolo Social Portfolio - Allocation Report" of the Green and Social Bond Report 2023

To the Board of Directors of Intesa Sanpaolo S.p.A.

We were engaged to perform a limited assurance engagement on the sections "1.3 Intesa Sanpaolo Green Portfolio - Allocation Report" and "2.3 Intesa Sanpaolo Social Portfolio - Allocation Report" (together the "Allocation Reports") contained in the accompanying Green and Social Bond Report 2023 of Intesa Sanpaolo S.p.A. (the "Bank") for the year ended 31 December 2023. The Allocation Reports are prepared to illustrate the eligible loans and allocate that in the eligible green categories and eligible social categories as defined in the Green, Social and Sustainability Bond Framework prepared by the Bank in June 2022 (the "Framework").

Our limited assurance engagement does not cover the information regarding the alignment with the Regulation (EU) 2020/852 ("EU Taxonomy").

Management's responsibility

The Management is responsible for the preparation of the Allocation Reports in accordance with the criteria contained in the Framework. The Framework is prepared by the Management in accordance with the Green Bond Principles 2021, the Social Bond Principles 2021, the Sustainability Bond Guidelines 2021, issued by the International Capital Market Association ("ICMA").

The Management is also responsible for the internal controls as Management determines is necessary to enable the preparation of the Allocation Reports, that are free from material misstatement, whether due to fraud or error.

Independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

In the reference year of this engagement our firm applied International Standard on Quality Control 1 (ISQC Italia 1) and accordingly maintained a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independent Auditors' responsibility

Our responsibility is to express a conclusion on the Allocation Reports based on our limited assurance engagement. We conducted our limited assurance engagement in accordance with the provisions of the standard "International Standard on Assurance Engagements 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised") issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and

EY S.p.A.
Sede Legale: Via Meravigli, 12 – 20123 Milano
Sede Secondaria: Via Lombardia, 31 – 00187 Roma
Capitale Sociale Euro 2.800.000,00 I.v.
Iscritta alla S.O. del Registro delle Imprese presso la CCIAA di Milano Monza Brianza Lodi
Codice fiscale e numero di iscrizione 02434000584 - numero R.E.A. di Milano 008158 - P.NA 00891231003
Iscritta al Registro Revisori Legali al n. 70945 Pubblicato sulla G.U. Suppl. 15 - IV Serie Speciale del 17/2/1998

A member firm of Ernst & Young Global Limited



perform our procedures to obtain limited assurance whether the Allocation Reports are free from material misstatement.

The procedures we performed were based on our professional judgment and included inquiries, primarily of persons responsible for the preparation of the Allocation Reports, inspection of documents, recalculation, agreeing or reconciling with underlying records and other evidence-gathering procedures that are appropriate in the circumstances.

Our limited assurance engagement also includes:

- ▶ interviews with the personnel of the Bank involved in the preparation of the Allocation Reports;
- ▶ assessing, through interviews with the personnel of the Bank, the procedures followed to collect, aggregate and report allocation indicators included in the Allocation Reports;
- ▶ in particular, regarding the significant information contained in the Allocation Reports, with reference to quantitative data, we have conducted both limited documentary evidence and analytical procedures, in order to collect information about the processes and procedures that support the collection, elaboration, processing and transmission of indicators. With reference to qualitative information, we have collected supporting documentation, on a sample basis, to verify consistency with the available evidence.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement conducted in accordance with ISAE 3000 revised and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement.

Conclusion

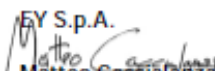
Based on the procedures we have performed, nothing has come to our attention that causes us to believe that the Allocation Reports, included in the Green and Social Bond Report 2023, are not prepared, in all material respects, in accordance with the criteria provided by the Framework.

Our conclusions on the Allocation Reports, included in the Green and Social Bond Report 2023, do not refer to the information regarding the alignment with the Regulation (EU) 2020/852 ("EU Taxonomy").

Other matters

This report has been prepared solely for the purposes described in the first paragraph and, accordingly, it may not be suitable for other purposes.

Milan, 20 March 2024

EY S.p.A.

 Matteo Caccialanza
 (Auditor)