



UBI Banca issues the social bond “UBI Comunità per Fondazione Casa Sollievo della Sofferenza”

A donation equal to 0.50% of the nominal amount of the bonds issued will be made to implement the “Virtual Round Project” for the geriatric ward in the Casa Sollievo della Sofferenza Hospital. This will allow innovative digital support tools to be used for both elderly inpatients and for families looking after patients requiring care after discharge. The ex ante SROI for the project is €1.88.

Milan, 28th June 2019 - UBI Banca announces the issue of a new social bond entitled “UBI Comunità per Fondazione Casa Sollievo della Sofferenza”, for a total amount of €20 million. The income from this will constitute a charitable donation to the Fondazione Casa Sollievo della Sofferenza for the “Virtual Round Project” for the geriatric ward in the Casa Sollievo della Sofferenza hospital at San Giovanni Rotondo. The Casa Sollievo della Sofferenza is a highly specialised “classified religious hospital” with approximately 900 beds divided into 30 medical and surgical wards and 50 clinical specialty wards with a “catalogue” of around 4,300 specialist diagnostic and treatment facilities. It has approximately 57,000 in-patients and €1.3 million outpatients each year.

Activities and objectives of the project

The “Virtual Round Project” involves the introduction of innovative digital applications such as social robots and video presence and multimedia training tools, which will both enrich the experience of elderly inpatients with the provision of cognitive stimulus services and also make it easier for families to manage patients who require sub-intensive care after discharge from hospital. The project is therefore designed to provide concrete answers to the needs of those who work to assist elderly patients especially at the critical time of the changeover from hospital care to care in the home. It is also intended to improve the quality of life of the patients themselves and make their families more independent with the use of robotic and telemedicine solutions. From the viewpoint of the health service, these solutions will also help reduce the use of repeat hospital stays and at the same time reduce the costs which families must often bear if long periods as hospital in-patients are necessary.

A donation of up to €100,000

The total amount of the charitable donation by UBI Banca to Fondazione Casa Sollievo della Sofferenza to support the “Virtual Round Project” may reach €100,000 if the entire face value of the bonds offered is subscribed. The bonds, issued by UBI Banca, have a minimum subscription price of €1,000, a life of three years, half yearly coupons and an annual gross interest rate of 1.15% for the first year (0.851% net per annum), 1.25% in the second year (0.925% net per annum) and 1.35% in the third year (0.999% net per annum). They may be subscribed from 27th June 2019 until 29th July 2019, unless the offer period is closed early.

“UBI Comunità social bonds allow individuals to invest their savings in deserving initiatives and to combine individual and general interest objectives in their investments” said Vincenzo Algeri, the UBI Comunità



Manager at UBI Banca. *“These instruments are used to fund sustainable and innovative projects, shared by the public, private and private social sectors and aimed at the development of the third sector, a field that is increasingly more important in Italy at both the social and economic levels”.*

“With social bonds it is possible to implement projects such as the Virtual Round Project”, added Alberto Pedroli, Manager of UBI Banca’s South Macro Geographical Area. *“Promoted by organisations of very high standing such as the Fondazione Casa Sollievo della Sofferenza and by grasping the opportunities offered by the latest technologies to improve the quality of life, these projects are able to generate a positive and concrete impact on the lives of our communities”.*

“The Casa Sollievo has been recognised since 1991 by the Ministry of Health as an ‘IRCCS’”, a scientific care and treatment hospital and over all those years”, explained the Director General Michele Giuliani, *“our researchers have always been open and willing to collaborate with the best institutions in the country to bring innovation, knowledge and benefits to society, with no profit motive. The issue of UBI Comunità social bonds for Casa Sollievo, will not only allow us to continue our studies with this economic support, but it is also useful because it allows researchers and the institute to appreciate the confidence placed in them and the esteem with which their work is held by the community”.*

SROI as a tool for the measurement of social value

The value of the social benefit for the recipients and for society provided by the social bond is calculated for the project, as has already been done for donations linked to previous issuances. The method chosen for the calculation is the social return on an investment (SROI). The SROI is a means of quantifying the social or environmental value generated by a project, an initiative, or social organisation in economic terms.

Fondazione Casa Sollievo della Sofferenza has calculated the social benefits, estimated (ex-ante) at €1.88 for each euro invested. These benefits consist mainly of an improvement in quality of life and care of patients and their families and a reduction in the direct and indirect economic impacts that caring for an elderly patient has on families. The consolidated result (ex post) will be reported and disclosed when the project is completed.

UBI Comunità Social Bonds

Social bonds are debt instruments designed to support high social value initiatives which offer subscribers a market yield and allow the Bank to use the funding acquired from their issue to make cash donations or grant loans at competitive conditions to support high social impact projects or investments. They involve and reward significant nonprofit organisations in local communities, that have good capabilities to mobilise stakeholders and projects with a high social impact.

Between April 2012 and June 2019 the UBI Banca Group has issued 94 UBI Comunità social bonds for a total value of greater than one billion euro. These have made it possible to make charitable donations of over €5 million designed to support initiatives of social interest and they have been subscribed by over 37,000 UBI Banca Group customers. Furthermore, loan pools have been created for loans of over €21 million destined to social consortia, enterprises and co-operatives.



UBI Banca is one of the leading commercial banks in Italy, with a market share of around 7%, 1,648 branches in Italy and almost 20,400 employees. Since 2011 the Bank has had a unit specialising in business with both Church and non-Church clients belonging to the third sector. A new organisational structure and positioning with regard to the world of public authorities was defined in 2016 with the 2019-2020 Business Plan. A new strategic area named UBI Comunità was established with the purpose of overseeing and developing commercial relations both with the third sector and the civil economy as well as with public authorities and with the various groupings of associations. UBI Banca promotes partnership initiatives between the public, private and private social sectors with this area, by involving local communities and by innovative leverage of the Group's abilities and expertise. With UBI Comunità, UBI Banca adds to a range of services designed for simplified banking operations that are secure and economical, with diversified credit solutions to pay advances on contributions and revenues, together with a range of flexible and customisable financing solutions to support the pursuit of institutional aims and to launch or accelerate economically sustainable paths to growth and social innovation. In 2013 UBI Banca received the Italian Banking Association "Charitable Bank" prize and the National Prize for Innovation awarded by the President of the Republic.

The Issuer will apply for admission of the bonds for trading on the EuroTLX multilateral trading facility. The Issuer will also act as the "specialist" on the multilateral trading facility EuroTLX®, publishing quotations during trading hours, in accordance with market requirements. More detailed information on the conditions, costs and risks involved in the investment is contained in the "Definitive Conditions" and in the "Summary Note" and in the section on "Risk Factors" in particular, which may be consulted.

We underline that the bonds in question could reduce in value (by as much as 100% of their value), or be converted into a capital instrument of the issuer (e.g. shares), or undergo a reduction in the interest, or a temporary suspension in the payment of interest for a transitory period, due to, amongst other things, the application of a "bail-in" and, more generally, to banking crisis resolution procedures in accordance with the regulations currently in force concerning the resolution of banking crises.

This document is a press release and it contains information for the media and the newspapers to which it is addressed. It is published for the same purposes on the Bank's corporate website, www.ubibanca.it, expressly and solely in the section entitled "Sala Stampa" in the Italian version and "Press" in the English version.

This message is of a promotional nature for potential subscribers of the investment and it does not constitute an offer or an invitation to invest in the bonds, nor does it constitute financial advice or a recommendation to invest.

The bonds may be subscribed from 27th June 2019 until 29th July 2019 unless the issuer opts to close the offer period early. For more detailed information on the characteristics, conditions and costs and risks involved in the investment, you are invited, before subscribing, to read the Basic Prospectus, inclusive of the Registration Document, the Definitive Conditions and the Summary Note, with particular attention paid to the section "Risk Factors" relating to the issuance.

The Basic Prospectus filed with the Consob (Italian securities market authority) on 13/06/2019 following the approval notified by the Consob with Note No. 0339496/19 of 12/06/2019, and the relative Supplements and Definitive Conditions relating to the issuance are available free of charge at the headquarters, in branches and on the website of the Issuer (www.ubibanca.it), and at the headquarters and on the website of IWBanque, which also act as Placement Agents. The "Solidarity Credit Transfer" function is reserved to holders of Qui UBI accounts who have granted consent for the processing of their personal data to promote the services of third parties that do not belong to the UBI Banca Group. Charitable donations are tax-deductible for natural persons up to a limit of 10% of the total declared income and in any case up to a maximum of €70,000 per year in accordance with Art. 14 of Decree Law No. 35 of 14.3.2005 and Art. 1 of Prime Ministerial Decree of 18.4.2013.

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