



Green and Social Bond Report 2022

INTESA  SANPAOLO

Green and Social Bond Report 2022

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 2022, 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 2022.









The "Impact Report" covers the impacts generated in the period from 1 January 2022 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 2022 is equal to approximately € 3.5 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)³ - 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.

³ Buildings with EPC label B belong to the top 15% low carbon residential buildings in Italy.

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.

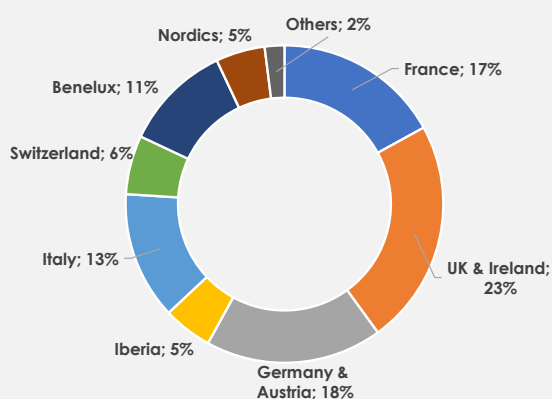
1.2 INTESA SANPAOLO GREEN BOND OUTSTANDING⁴

XS2089368596

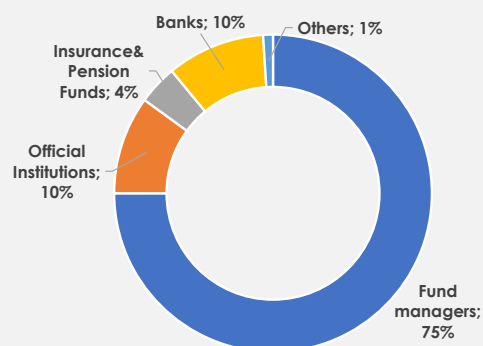
Year: 2019
 Notional: € 750 mln Senior Preferred
 Tenor: 5 years
 Maturity date: 4 December 2024

The final book collected orders over € 3.5 bn from 234 investors, allocated as follow:

ALLOCATION BY GEOGRAPHY



ALLOCATION BY INVESTOR TYPE

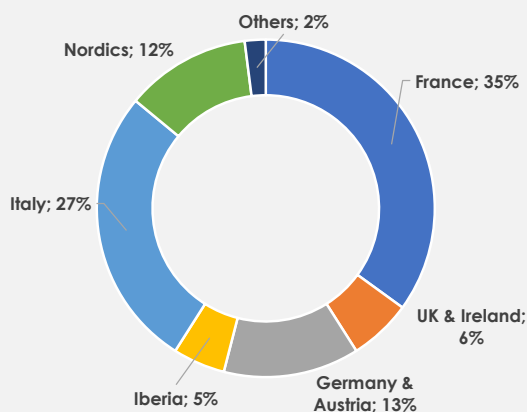


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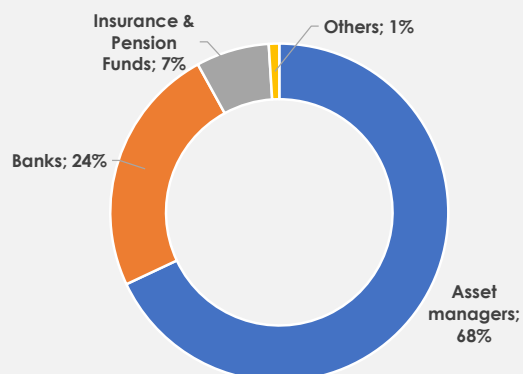
Year: 2019
 Notional: € 500 mln Senior Preferred
 Tenor: 5 years
 Maturity date: 10 April 2024

The final book was in excess of € 1.5 bn with ca. 150 high quality accounts involved allocated as follow:

ALLOCATION BY GEOGRAPHY



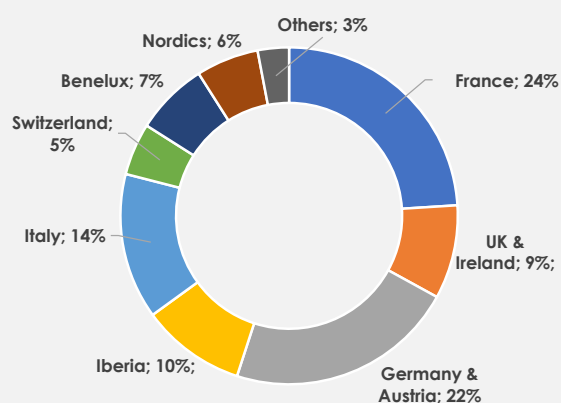
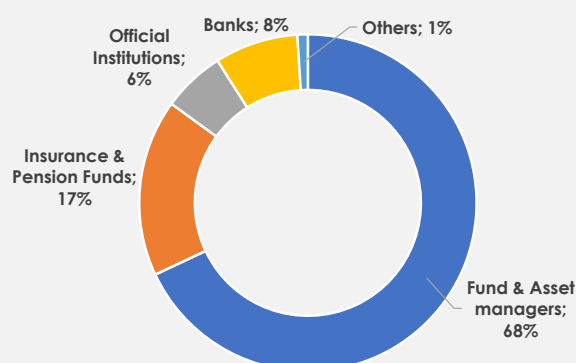
ALLOCATION BY INVESTOR TYPE



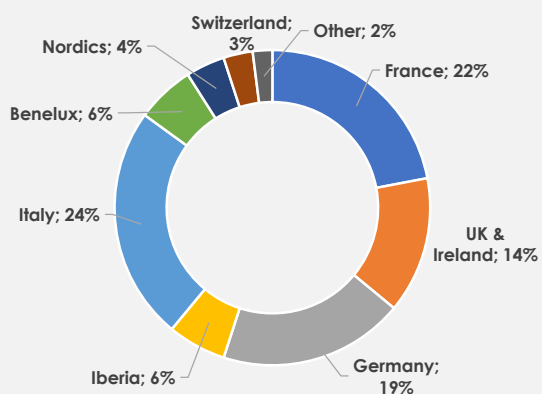
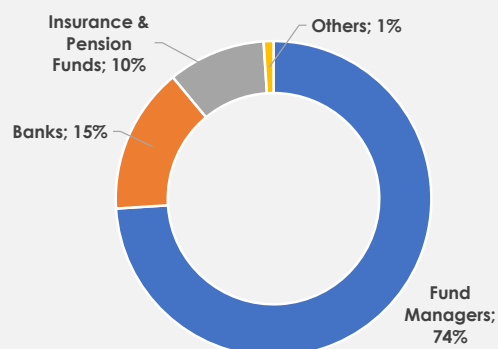
⁴ Wholesale Public issues

XS2317069685**Year:** 2021**Notional:** € 1.250 mln Senior Preferred**Tenor:** 7 years**Maturity date:** 16 March 2028

The final book collected orders over € 3 bn from more than 200 investors, allocated as follow:

ALLOCATION BY GEOGRAPHY**ALLOCATION BY INVESTOR TYPE****XS2529233814****Year:** 2022**Notional:** € 1.000 mln Senior Non Preferred**Tenor:** 5 years**Maturity date:** 6 September 2027

The final book collected orders over € 2 bn from about 200 investors, allocated as follow:

ALLOCATION BY GEOGRAPHY**ALLOCATION BY INVESTOR TYPE**

1.3 INTESA SANPAOLO GREEN PORTFOLIO | Allocation report

OVERVIEW as of 31st December 2022

Percentage of Net Proceeds of Green Funding allocated to Eligible Green Loan Portfolio	100%
Percentage of Eligible Green Loan Portfolio financed (usage)	36%
Balance of net proceeds - (Available eligible green loans for new issues)	€ 6,277 mln

“Renewable Energy & Energy efficiency” Portfolios New loans (since 31 Dec. 2021)	€ 821 mln
“Green Buildings” Portfolio New loans (since 31 Dec. 2021)	€ 1,862 mln
“Circular Economy” Portfolio New loans (since 31 Dec. 2021)	€ 549 mln

ISP GREEN LOAN PORTFOLIO

Eligible categories	# of loans	Signed Amount (€)	Avg tenor (years)	% out of Italy
Renewable Energy	942	3,313,371,439	6.4	42%
<i>Photovoltaic</i>	829	2,517,677,649	6.5	38%
<i>Eolic</i>	53	696,813,333	5.9	63%
<i>Hydroelectric</i>	60	98,880,457	8.1	0%
Energy efficiency	49	287,793,803	7.0	21%
Green buildings⁶	26,756	4,179,209,821	25.9	0%
<i>EPC label A</i>	14,315	2,347,852,253	25.7	0%
<i>EPC label B⁷</i>	6,363	884,155,893	25.9	0%
<i>Building refurbishment</i>	1,730	180,627,068	25.5	0%
<i>New buildings (NZEB-10%)⁸</i>	4,348	766,574,607	26.4	0%
Circular Economy	299	1,978,988,229	3.8	35%
Total		9,759,363,292	14.2	22%

ISP GREEN FUNDING

ISIN	Allocated Amount (€)
XS2529233814	1,000 mln
XS2450068619⁵	18 mln
XS1979446843	500 mln
XS2317069685	1,250 mln
XS2089368596	750 mln
	3,518 mln

⁵ Private Placement ¥2.4 bn printed in 2022.

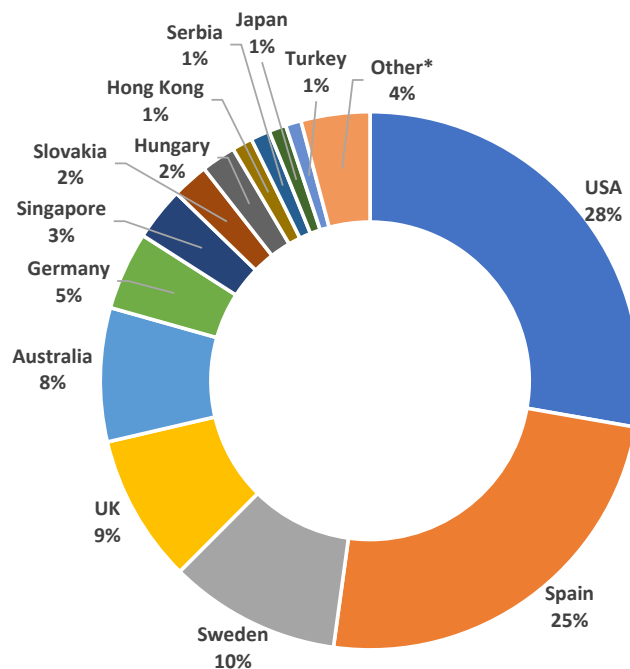
⁶ Green mortgages disbursed from May 2020

⁷ Belonging to the top 15% as indicated in the Framework

⁸ Eligibility criteria for buildings built after 1st January 2021

GREEN PORTFOLIO ASSETS OUTSIDE ITALY

Around € 2,1 bn of green assets (Renewable Energy, Energy efficiency and Circular Economy) consists of projects based outside Italy:



(*) Albania, Bosnia and Herzegovina, Croatia, Egypt, Emirates, Mexico, Poland, Romania, Slovenia, Ukraine

FOCUS ON CIRCULAR ECONOMY ELIGIBLE CATEGORIES	Signed Amount (€)	% out of Italy
1. Solutions that extend the product-life or cycles of use of goods and/or materials	263,339,117	0%
2. Production processes fueled by and/or products made of renewable or recycled resources	562,459,400	29%
3. Products and/or services that significantly increase effectiveness and efficiency of the resource consumption, within the company or along its supply chain	799,255,917	49%
4. Design and/or manufacture products that can be fully recycled or composted within an efficient framework of collection, separation and recycling after use	279,858,323	40%
5. Innovative technologies to enable circular business models	74,075,472	42%

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) ⁹
Renewable Energy	942	3,313	34%	3,153,300
Energy efficiency	49	288	3%	142,500
Green Buildings	26,756	4,179	43%	94,500
Circular Economy	299	1,979	20%	4,151,000
Total	28,046	9,759	100%	7,541,300
Estimated Impact per €1 M invested (GHG)				773

* As at 31 of December 2022.

METHODOLOGICAL APPROACH

Avoided GHG emissions are:

- calculated according to **The Global GHG Accounting and Reporting Standard** for the Financial Industry (hereafter PCAF Methodology) (PCAF, 2020);
- 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 31/12/2022 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 consultants¹⁰.

⁹ Avoided emissions only refer to outstanding eligible loans of the Portfolio

¹⁰ Studio Fieschi

Renewable Energy



Total Portfolio (€ mln)

3,313



Annual avoided GHG emissions (tCO_{2e})*

3,153,000



Avoided financed GHG emissions intensity (tCO_{2e} / € mln)

952

* 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 _{2e}]	Projects [n°]
Photovoltaic	6,146,000	2,740,300	829
Wind power	931,300	361,600	53
Hydroelectric	124,000	51,400	60
Total	7,201,300	3,153,300	942

- A statistically significant sample (consisting of 155 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 31 Dec. 22) 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 data¹¹.
- The **Operating Margins emission factors have been considered** (IFI, version 3.1, 2021).

¹¹ <https://globalsolaratlas.info/global-pv-potential-study>

Energy Efficiency



Total Portfolio (€ mln)

288



Annual avoided GHG emissions (tCO₂e)*

142,500



Avoided financed GHG emissions intensity (tCO₂e / € mln)

495

* 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 31 Dec. 22) of a plant sample over a 12-month period. Several types of projects have been included in the sample such as high efficiency cogeneration plant, trigeneration plant, LED lighting system, injection molding process.
- High savings in terms of electricity and/or heat consumption result from cogeneration units.
- 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 comparing the energy consumption after the project implementation to the baseline. Energy savings can be expressed in terms of electricity or heat/fuel saved.
- The emission factor considered for the grid electricity is the country residual mix¹².
- Specific GHG emissions factors have been modelled with the LCA Simapro and the LCI database Ecoinvent.

¹² 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)

4,179



Annual avoided GHG emissions (tCO₂e)*

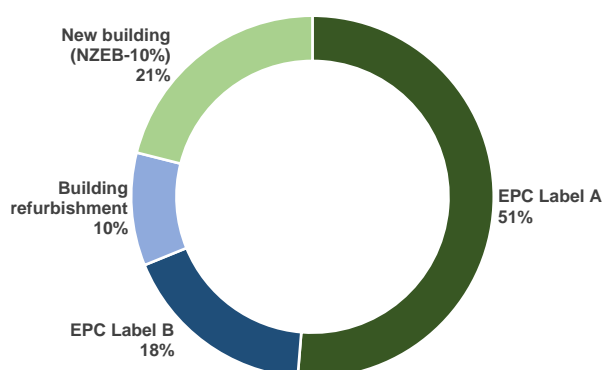
94,500



Avoided financed GHG emissions intensity (tCO₂e / € mln)

23

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]
EPC label A	1,636,474	2,347	249,000	48,500
EPC label B*	691,326	882	80,500	16,600
New Buildings (NZEB -10%)	562,183	767	101,500	19,900
Building refurbishment	324,697	183	56,400	9,500
Total	3,214,680	4,179	487,400	94,500

(*) Buildings with EPC label B belong to the top 15% low carbon residential buildings in Italy.

- EPC label A/EPC label B: energy savings are calculated comparing the energy consumption of the new building (based on EPC label) with its relative benchmark¹³.
- New Buildings (NZEB -10%): this category includes buildings built from 1/01/2021 with an EPC label higher than A2. Such class, according to a CRIF report [“Percentage distribution of primary energy \(Ep\) values in the Italian national building stock”](#) is the conservative threshold above which primary energy (Ep) demand is compliant with the requirement “Nearly Zero Energy Building -10%” for every climatic zone.
- Building refurbishment: energy savings are the difference between the median energy consumption of the initial EPC label and the one achieved after the renovation.
- Specific GHG emission factors have been modelled with the LCA software Simapro and the LCI database Ecoinvent.

¹³ For each climatic zone, on the basis of buildings EPC label distribution in Italy (ENEA, 2020), a specific benchmark energy consumption has been considered.

Circular Economy



Total Portfolio (€ mln)

1,979



Annual avoided GHG emissions (tCO₂e)*

4,151,300

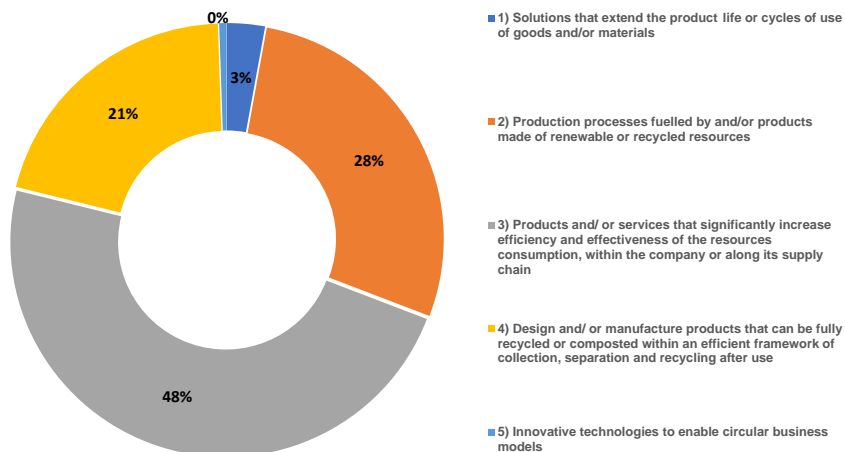


Avoided financed GHG emissions intensity (tCO₂e / € mln)

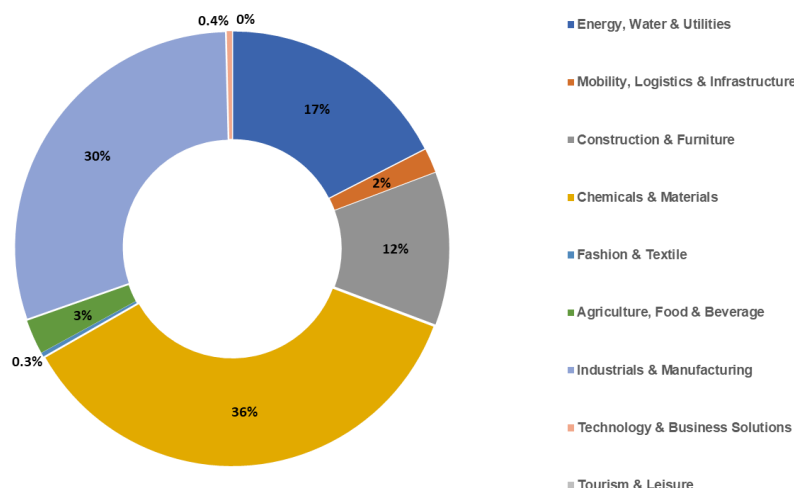
2,098

* 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 € 1,979 mln of outstanding and corresponds to 299 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>
<i>Amount of recovered materials thanks to product re-design, new business models and/or reverse logistics</i>	147.425 tons	118.800 tCO _{2e} q
<i>Increase of renewables energies utilization</i>	513.675 MWh	268.500 tCO _{2e} q
<i>Amount of biomethane produced</i>	60.732.179 m ³	116.600 tCO _{2e} q
<i>Increase of biobased/recycled materials utilization</i>	533.960 tons	776.000 tCO _{2e} q
<i>Amount of waste and by-products re-inputted in production processes*</i>	1.392.877 tons	1.987.800 tCO _{2e} q
<i>Amount of non wasted food</i>	4.247 tons	4.400 tCO _{2e} q
<i>Water saved or recovered</i>	4.664.833 m ³	1.200 tCO _{2e} q
<i>Amount of fully recyclable goods produced</i>	367.290 tons	853.100 tCO _{2e} q
<i>Amount of fully compostable goods produced</i>	1.085 tons	2.600 tCO _{2e} q
<i>Investments in technologies not accountable with KPIs in other CE criteria</i>	38,31 € mln	22.300 tCO _{2e} q

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. 5,500 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. 1,700 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>
<i>1) Solutions that extend the product life or cycles of use of goods and/or materials</i>	118.800 tCO _{2e} q
<i>2) Production processes fuelled by and/or products made of renewable or recycled resources</i>	1.161.100 tCO _{2e} q
<i>3) Products and/or services that significantly increase efficiency and effectiveness of the resources consumption, within the company or along its supply chain</i>	1.993.500 tCO _{2e} q
<i>4) Design and/or manufacture products that can be fully recycled or composted within an efficient framework of collection, separation and recycling after use</i>	855.600 tCO _{2e} q
<i>5) Innovative technologies to enable circular business models</i>	22.300 tCO _{2e} q

1.5 Project examples

AQUAPONIC AGRICULTURE: AGRIRED



fertilizers.

Agrired was created in 2017 as an innovative startup focused on the design and construction of plants based on the aquaponic agricultural production model.

Intesa Sanpaolo support of €750,000 has the objective of developing an aquaponic district, with a target area of 8,000 m², through the careful use of cutting-edge technologies, specialized skills, research and development for the agricultural production of vegetable plants for food, cosmetics and pharmaceuticals.

Through these techniques, production of about 120 tons/year of lettuce, rocket and basil will be obtained with a water saving of 85%, a reduction in the use of land of 95% compared to traditional agriculture, as well as the definitive elimination of insecticides and

COIMA PORTA ROMANA

Loan in favor of the "Fondo Porta Romana" (€ 255 mln) managed by COIMA SGR and aimed at financing Phase 1 of the acquisition and development of the railway station area. The redevelopment project concerns the development of the real estate area consisting of the disused railway yard called "Porta Romana", located in the southern quadrant of Milan, with an extension of 216,000 m² and a building potential of up to 164,000 m² of gross surface area with mixed-use.

The goal is to regenerate an area of at least 21,000 m² (which corresponds to at least 70% of the total volume of "Edificio Basilico" and "Edificio Squadra Rialzo"). The planning will also lead to the reuse and recycling of non-hazardous material relating to the remains of the demolitions equal to 2,800 tons of the "Olympic Village" area.



EOLIC PLAN PROJECT RENERGY SRL



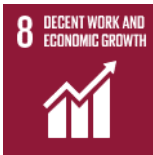



The eolic wind project consists of 1 wind turbine of 5,5 MW. The turbine is located in Sardinia, in the Municipality of Sassari. The estimated annual electricity generation of the plant is 11,200 MWh, corresponding to 2,240 operating hours.

The plant has been built by Renergy Srl with a total investment cost of approximately € 6,900,000.

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 2022, Intesa Sanpaolo successfully placed on the Euro market its first Social Bond (senior Preferred); in terms of size this was the largest bond issued by an Italian bank in this format.

XS2545759099

Year: 2022

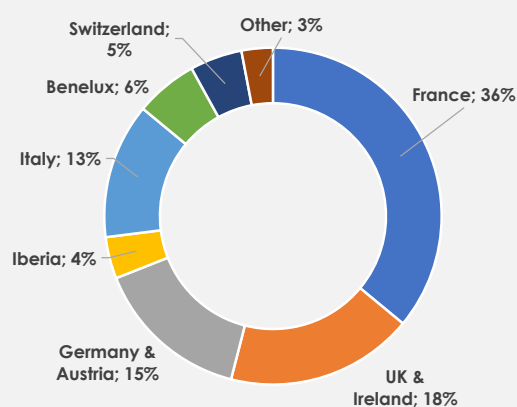
Notional: € 750 mln

Tenor: 7,25 years

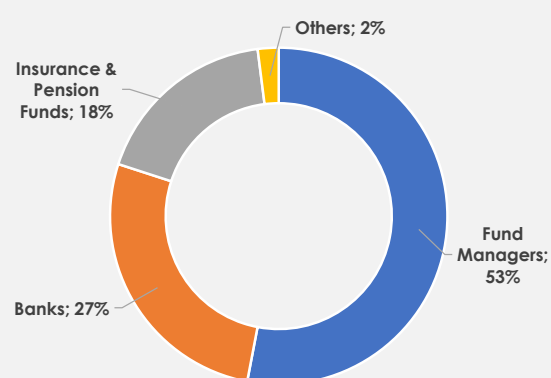
Maturity date: 13 January 2030

The final book collected orders over € 1.3 bn allocated as follow:

ALLOCATION BY GEOGRAPHY



ALLOCATION BY INVESTOR TYPE



2.3 INTESA SANPAOLO SOCIAL PORTFOLIO | Allocation report

OVERVIEW as of 31st December 2022

Percentage of Net Proceeds of Social Funding allocated to Eligible Social Loan Portfolio	100%
Percentage of Eligible Social Loan Portfolio financed (usage)	7%
Balance of net proceeds - (Available eligible Social loans for new issues)	€ 10,080 mln
“Access to Essential Services” Portfolio New Loans (since 31 Dec. 2021)	€ 161 mln
“Socioeconomic Advancement and Empowerment” Portfolio New Loans (since 31 Dec. 2021)	€ 323 mln
“Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises” Portfolio New Loans (since 31 Dec. 2021)	€ 1,604 mln

ISP SOCIAL LOAN PORTFOLIO

ISP SOCIAL FUNDING

Eligible categories	Signed Amount (€)	Average tenor (years)	ISIN	Allocated Amount (€)
Access to Essential Services	1,079,771,914	8.9		
<i>Healthcare</i>	<i>351,187,925</i>	<i>9.3</i>		
<i>Education</i>	<i>199,041,887</i>	<i>9.6</i>		
<i>Entertainment and sport</i>	<i>104,357,175</i>	<i>7.5</i>		
<i>Welfare and solidarity</i>	<i>375,454,445</i>	<i>8.5</i>		
<i>Art and culture, including restoration of artistic heritage</i>	<i>49,730,483</i>	<i>9.1</i>		
Socioeconomic Advancement and Empowerment	642,315,657	5,0		
<i>S-Loans</i>	<i>545,591,842</i>	<i>5.0</i>	XS2545759099	750 mln
<i>D-Loans</i>	<i>21,614,134</i>	<i>5.0</i>		
<i>Access to affordable financial products</i>	<i>75,109,681</i>	<i>-</i>		
Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises	9,108,057,645	5.5		
<i>SMEs in socioeconomic disadvantaged areas</i>	<i>3,235,938,353</i>	<i>6.9</i>		
<i>Relief from natural disaster and health or social emergencies</i>	<i>5,872,119,292</i>	<i>4.7</i>		
Total	10,830,145,217	5.7		750 mln

2.4 INTESA SANPAOLO SOCIAL PORTFOLIO | Impact report¹⁷

IMPACT REPORTING AT SOCIAL PORTFOLIO LEVEL

Eligible categories	Outstanding amount* (€ mln)	Share (%)	Number of loans	Main impacts**
Access to Essential Services	1,080	10%	11,065	<ul style="list-style-type: none"> • 8.5 million beneficiaries served • 127 thousand jobs created and retained
Socioeconomic Advancement and Empowerment	642	6%	9,179	<ul style="list-style-type: none"> • 2,181 students who, in the absence of the loan, would have had to give up on their studies
Employment generation and programs designed to prevent and/or alleviate unemployment stemming from crises	9,108	84%	129,588	<ul style="list-style-type: none"> • 70 thousand jobs created in 17 thousand SMEs located in socioeconomically disadvantaged areas • 7 thousand SMEs avoided shutdown through COVID-19 loans, retaining 73 thousand jobs
Total	10,830	100%	149,832	<ul style="list-style-type: none"> • Over 8.5 million beneficiaries served • 86 thousand jobs created • 184 thousand jobs retained

* As at 31 of December 2022.

** 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:

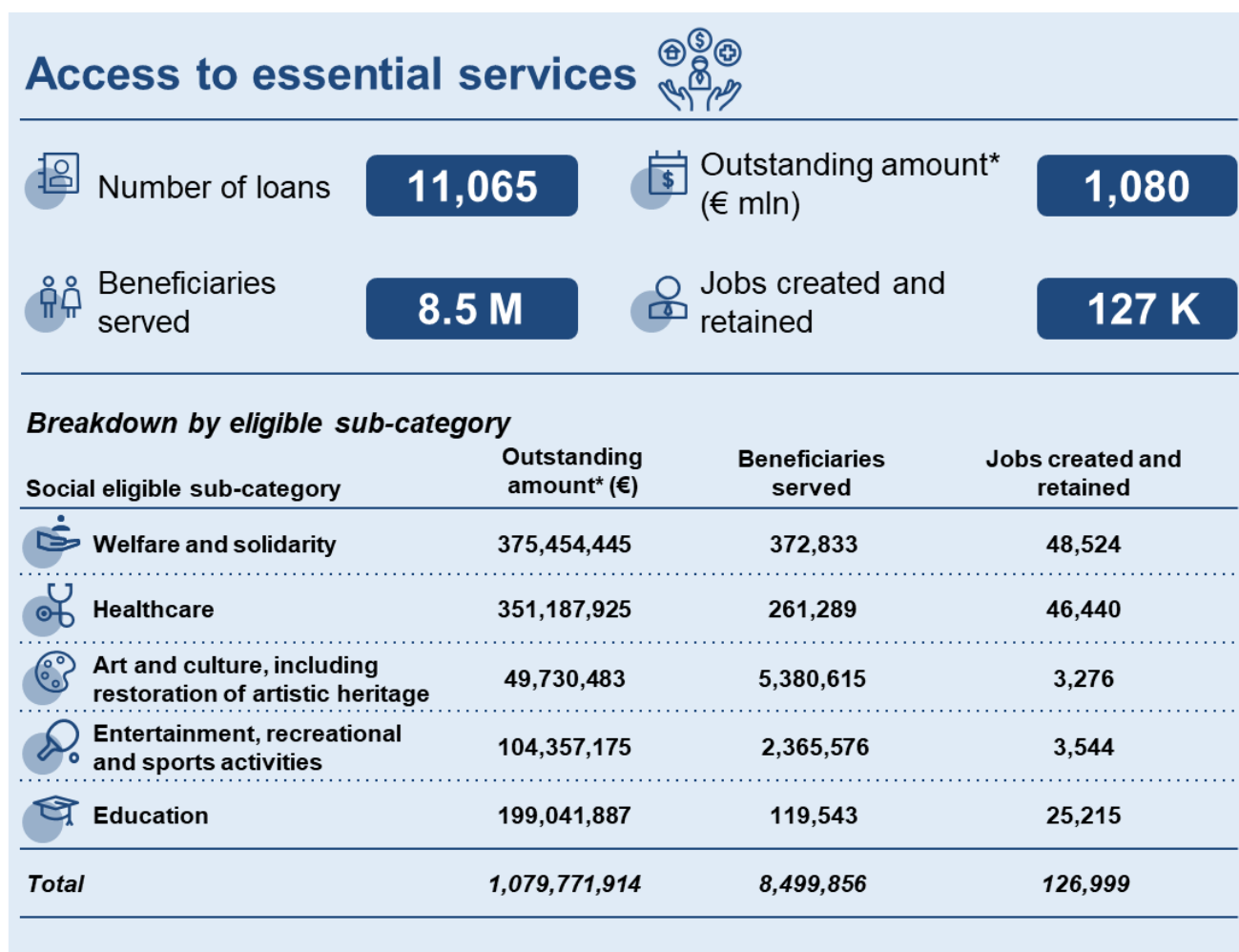
- Welfare and solidarity (child welfare, child services and day care, youth services and youth welfare, family services, etc.),
- Healthcare (healthcare facilities, home care facilities for elderly, seriously ill or disabled people, etc.),
- Art and culture (cultural and artistic events, conservation 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

¹⁷ 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 at 31 of December 2022.

METHODOLOGICAL APPROACH

A survey¹⁸ 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:

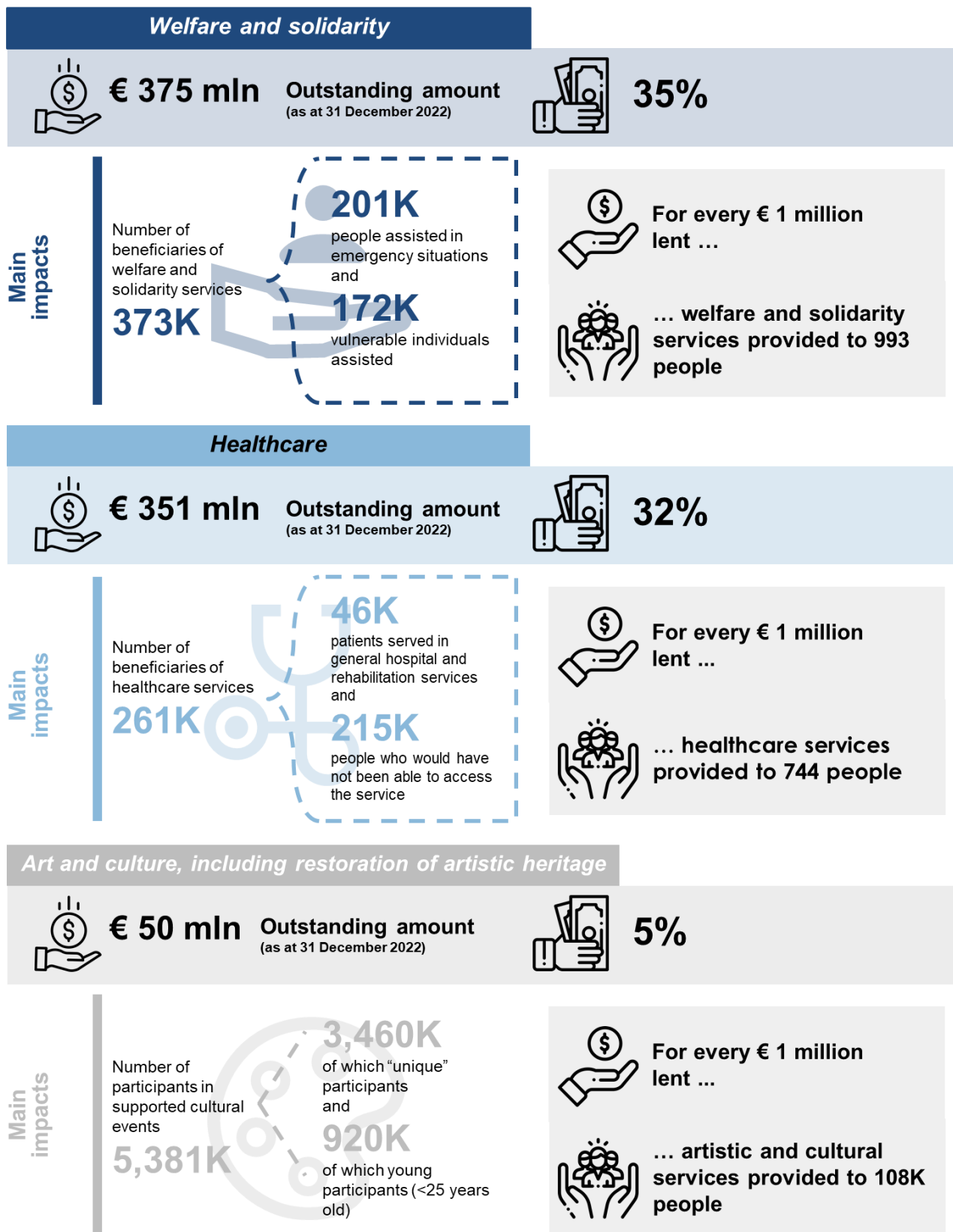
- Considering the organizations in the sample of respondents, for each subcategory (Healthcare, Welfare and solidarity, Art and culture, Entertainment, Education), marginal impact measures on specific indicators (e.g. people assisted per € mln lent) were calculated.
- Clustering the organizations in 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.

¹⁸ 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 events¹⁹.

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.



¹⁹ 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



€ 104 mln

Outstanding amount
(as at 31 December 2022)



10%

Main
impacts

Number of
beneficiaries of
entertainment,
recreational and
sports activities

2,366K

1,173K

beneficiaries of
entertainment
and recreational activities
and

1,193K

participants of sporting
events or sport activities



For every € 1 million
lent ...



... entertainment,
recreational and sports
activities provided to 23K
people

Education



€ 199 mln

Outstanding amount
(as at 31 December 2022)



18%

Main
impacts

Number of
beneficiaries of
educational
services

119K

43K

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

76K

adults with gained
access to education or
vocational training



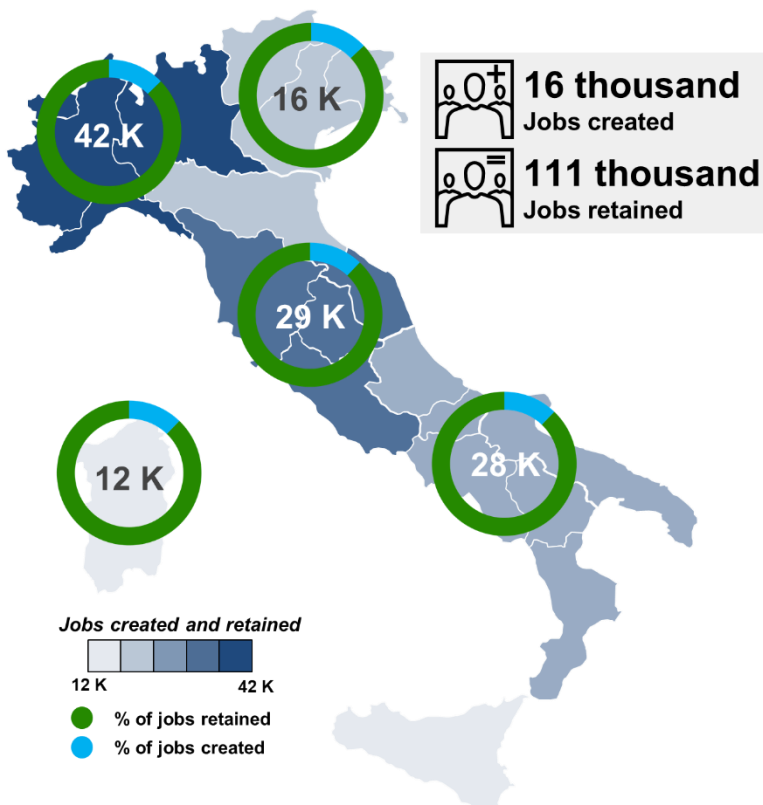
For every € 1 million
lent ...



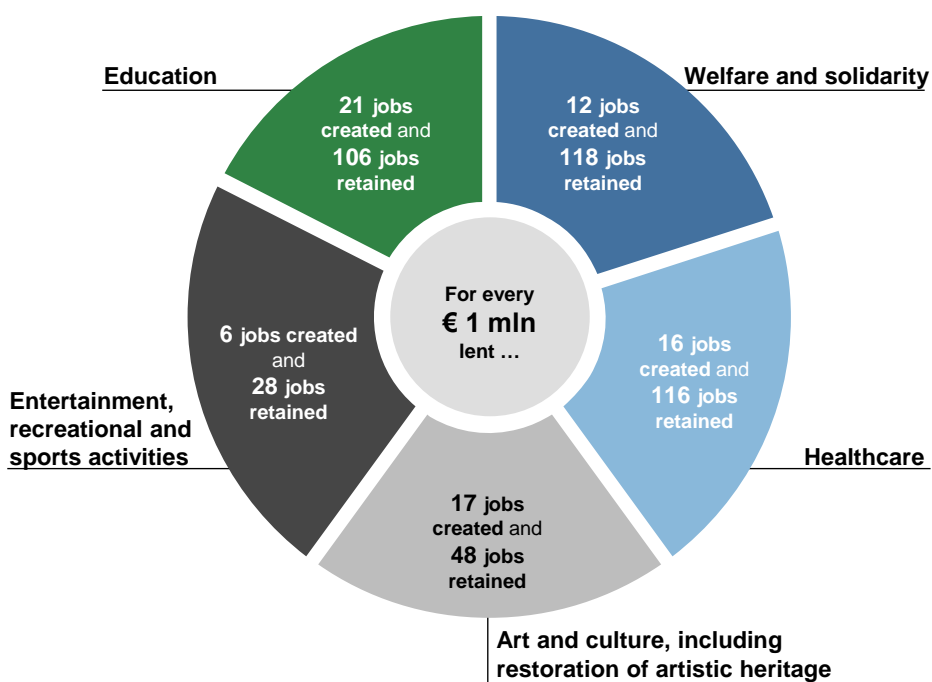
... educational services
provided to 601 people

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.



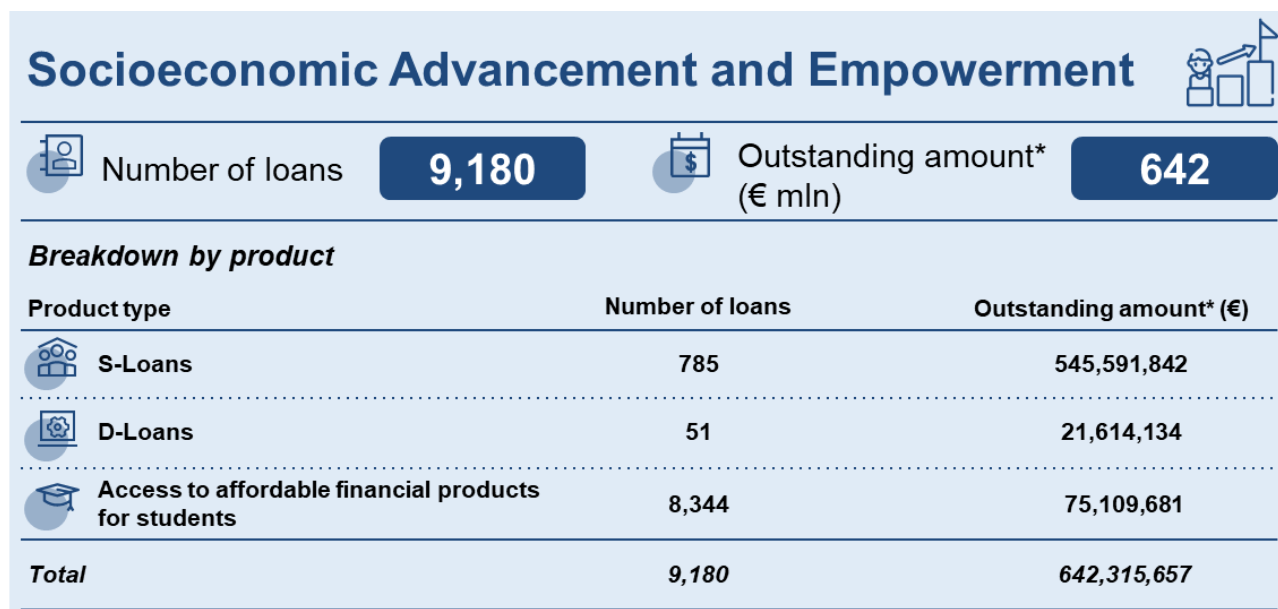
Job creation and retention can be analysed also from a sectoral standpoint: the following infographic illustrates a marginal impact measure (i.e. the amount of impact generated per € 1 million financed by Intesa Sanpaolo) per eligible sub-category.



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 at 31 December 2022.

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 survey²⁰ carried out on a large share of borrowers from 2019 to 2022.

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).

²⁰ 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		
 785 loans	 € 546 mln	Outstanding amount (as at 31 December 2022)
Social KPIs	Number of loans	Outstanding amount (€)
Businesses promoting the role of women in society	78	47,171,742
Businesses promoting sustainability by customers and/or suppliers	233	157,731,482
Businesses allocating a share of their turnover to support communities	436	313,100,587
Businesses committing to hire a share of female employees	38	27,588,031
Total	785	545,591,842

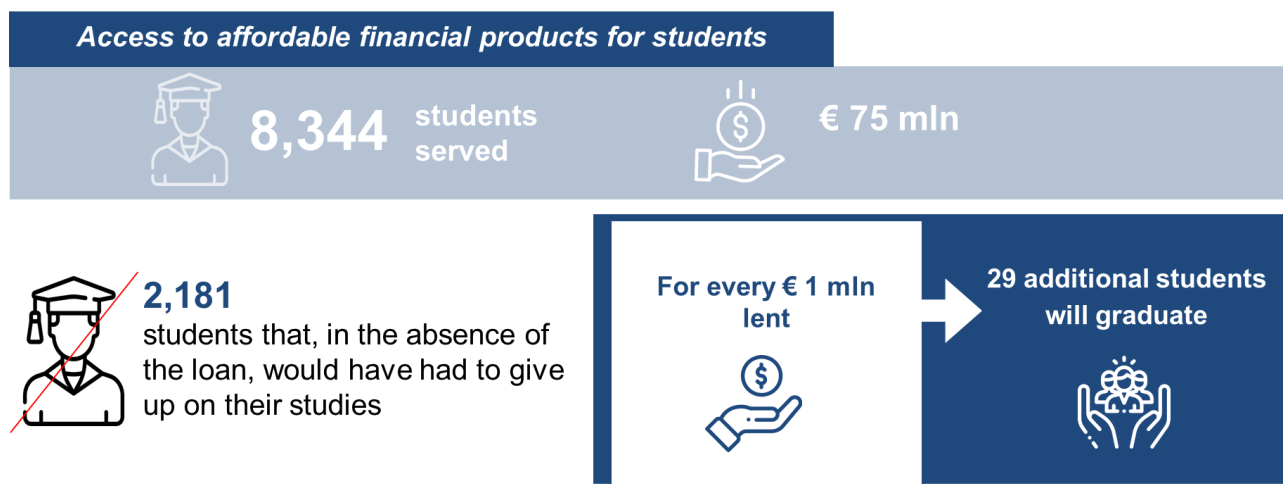
D-Loans

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	 € 22 mln	Outstanding amount (as at 31 December 2022)

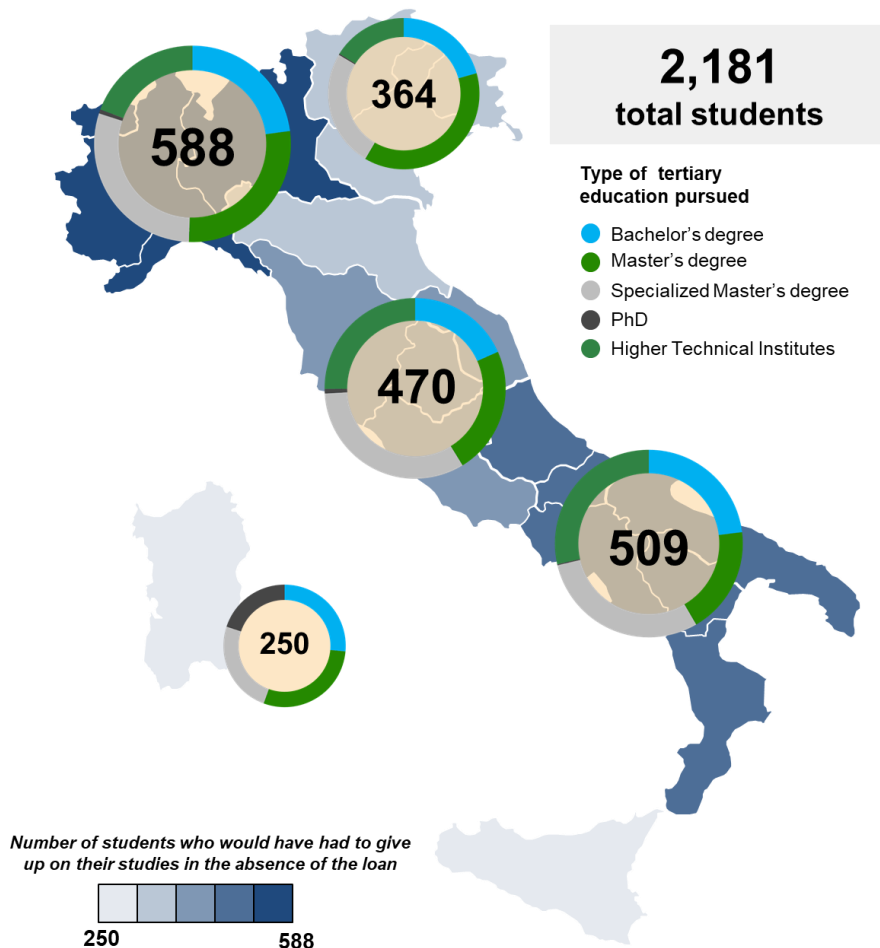
Access to affordable financial products for students: “Per Merito” loans

“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.



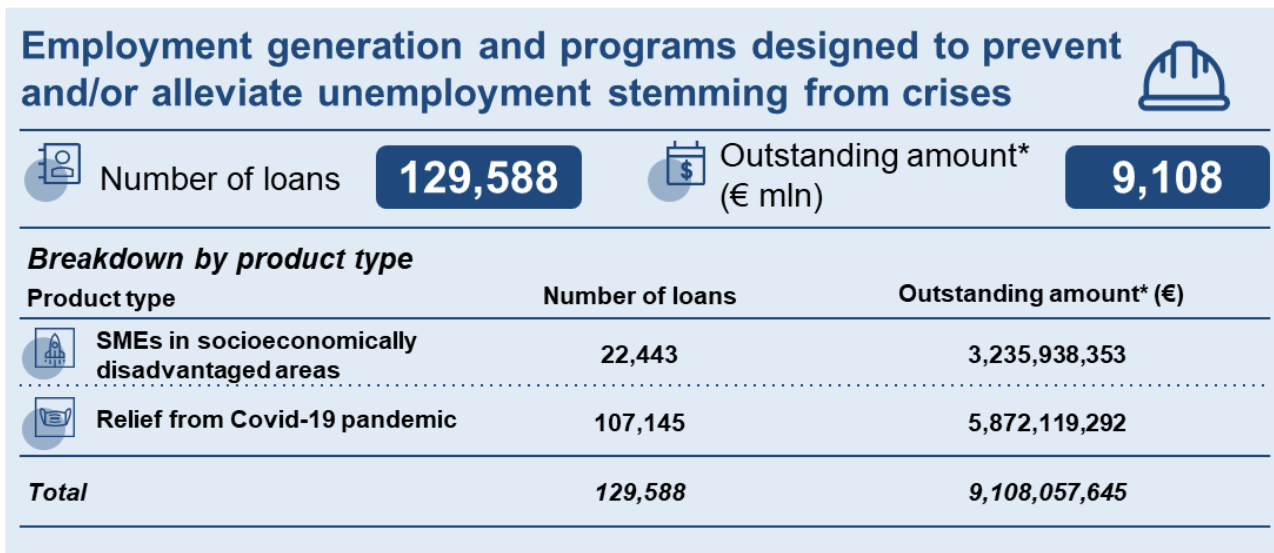
The figure below shows, for each of the 5 Italian macro-regions, the number of students that were able to continue their studies thanks to the student loan, and the type of tertiary education pursued by these groups of students as a percentage of the total.

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 SMEs²¹ in socioeconomically disadvantaged areas²² and loans partially guaranteed by the government to help SME’s in socioeconomically disadvantaged areas to recover from the COVID-19 pandemic.²³



* As of 31 December 2022

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 clients²⁴; 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)²⁵ 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.

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

The latest financial information is available for a large share of SME clients²⁶; this allows to cluster businesses according to their financial condition as defined by a recent CERVED study²⁷, thereby linking each business to a default probability.

²¹ 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.

²² 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.

²³ COVID-19 loans to SMEs located in socioeconomically disadvantaged fall under the “Relief from natural disaster and health or social emergencies” sub-category.

²⁴ 98% of the outstanding amount.

²⁵ 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.

²⁶ 77% of the outstanding amount.

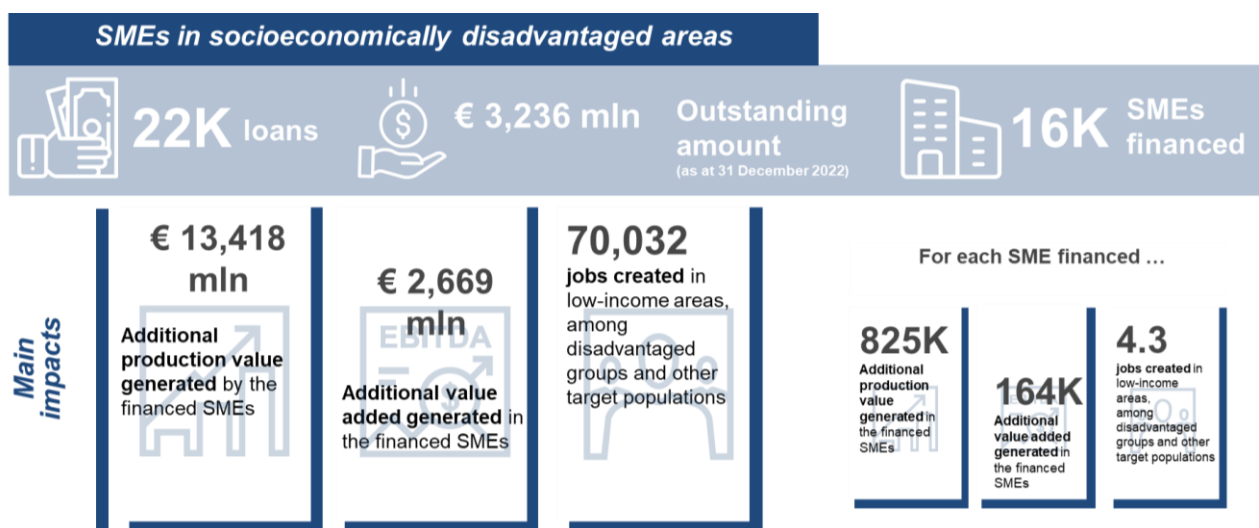
²⁷ A recent CERVED study estimates the share of Italian SMEs (in different financial conditions) which, during the pandemic, could have avoided default through a liquidity injection.

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 loans are 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

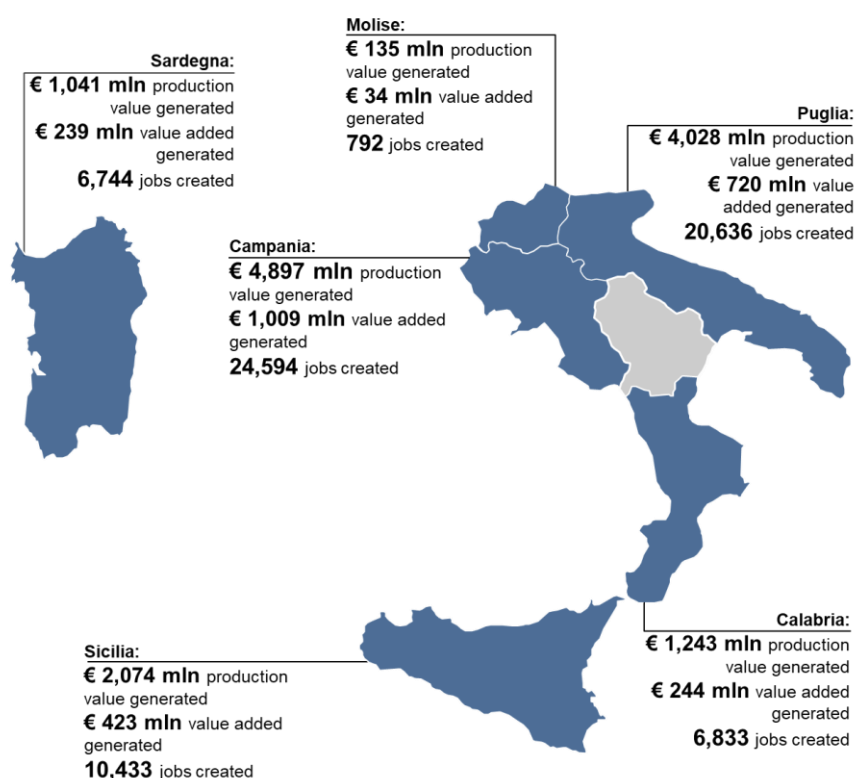
SMEs in socioeconomically disadvantaged areas

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.

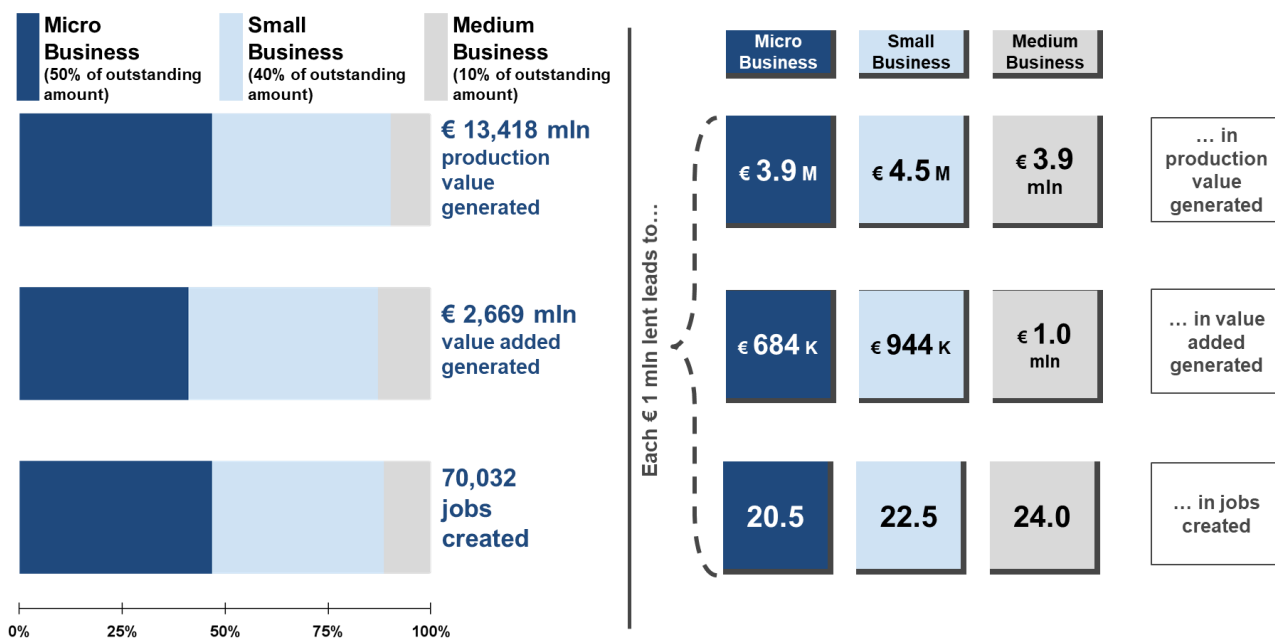


The impacts can also be analysed from a geographical, business size and sectoral point of view: the following infographics illustrate the three main impacts divided by socio-economically disadvantaged region, enterprise size (micro, small and medium) and economic activity.

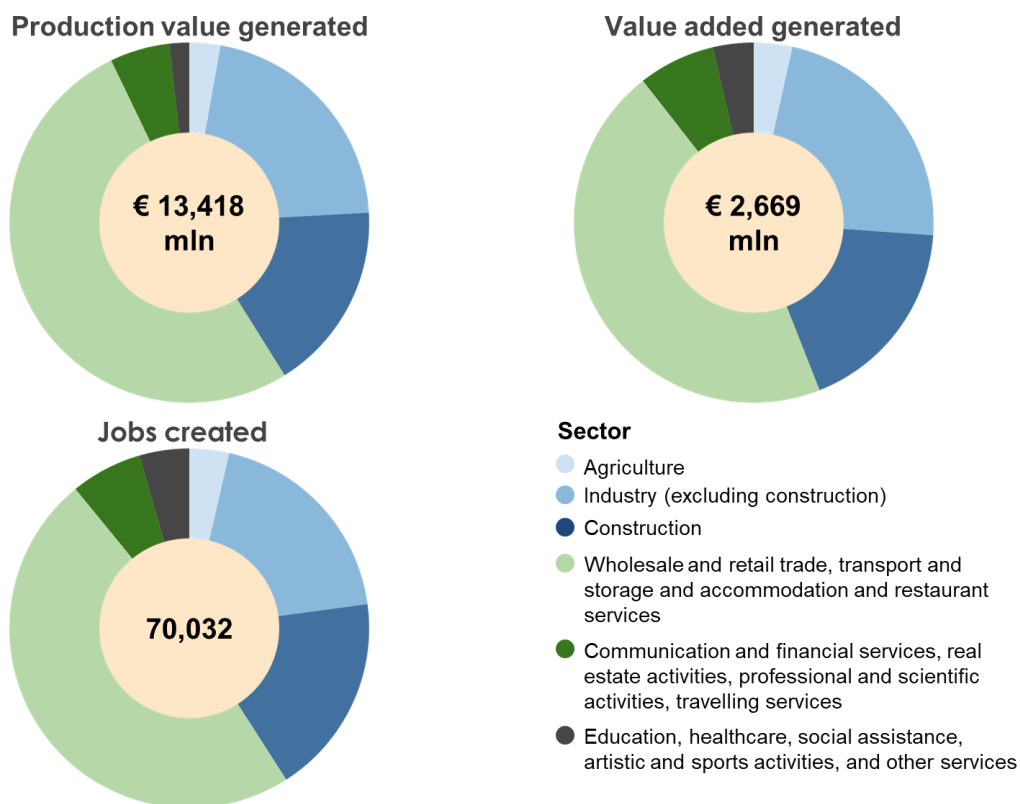
Impacts by socio-economically disadvantaged Region



Impacts by business size

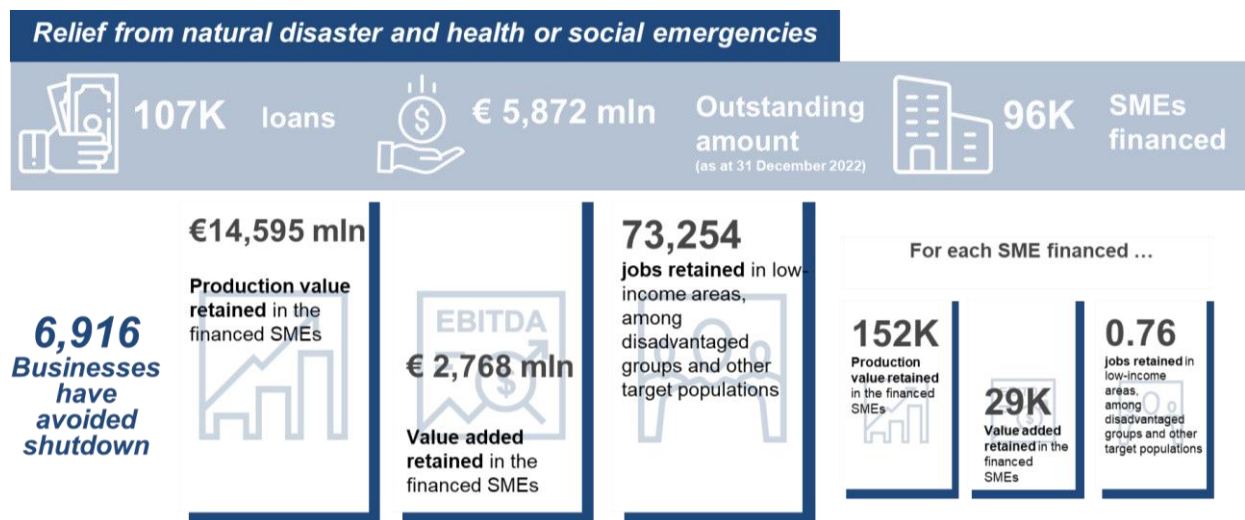


Impacts by economic sector



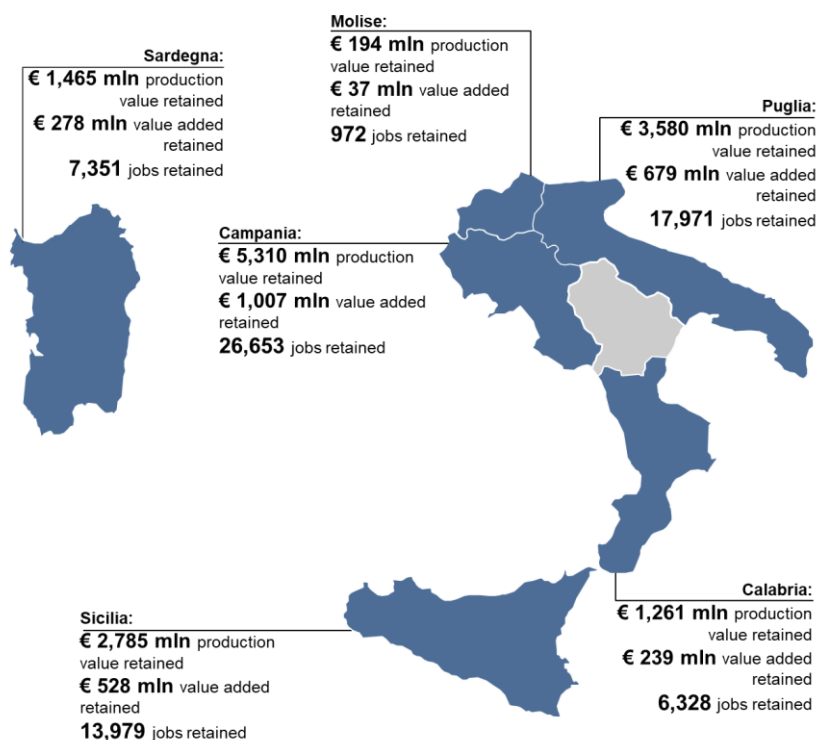
Relief from natural disaster and health or social emergencies

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”²⁸ 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.



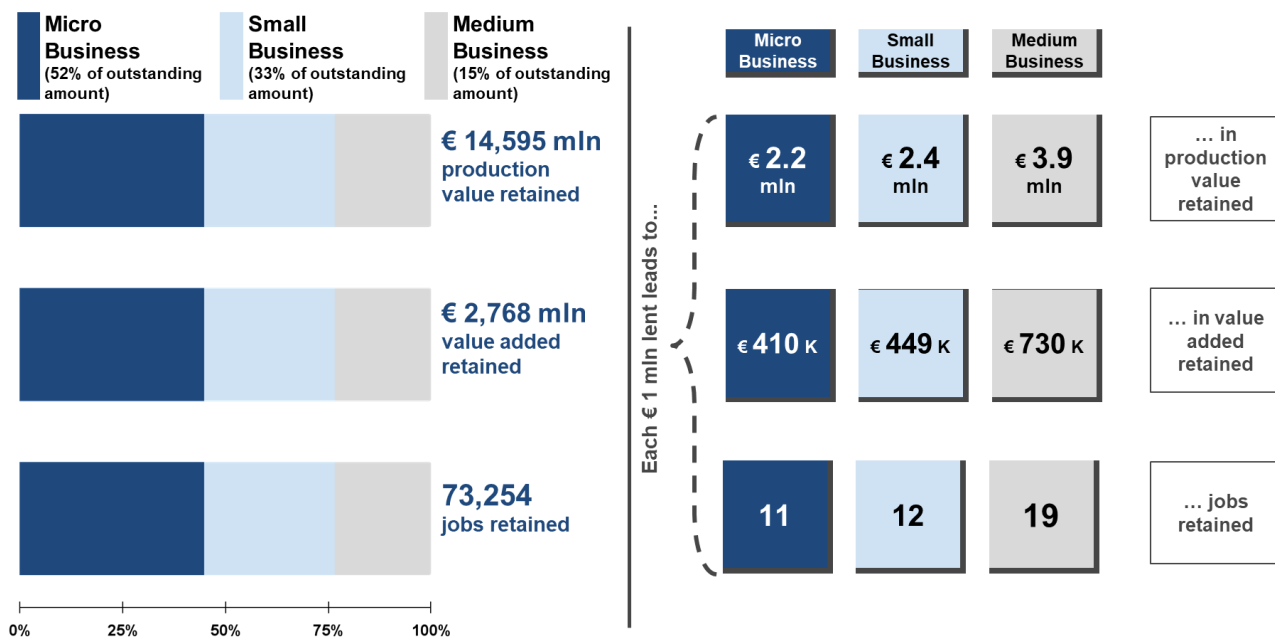
These three impacts can be analysed also from a geographical, business size and sectoral point of view: the following infographics illustrate the impact indicators divided by socio-economically disadvantaged region, enterprise size (micro, small and medium) and economic activity.

Impacts by socio-economically disadvantaged Region

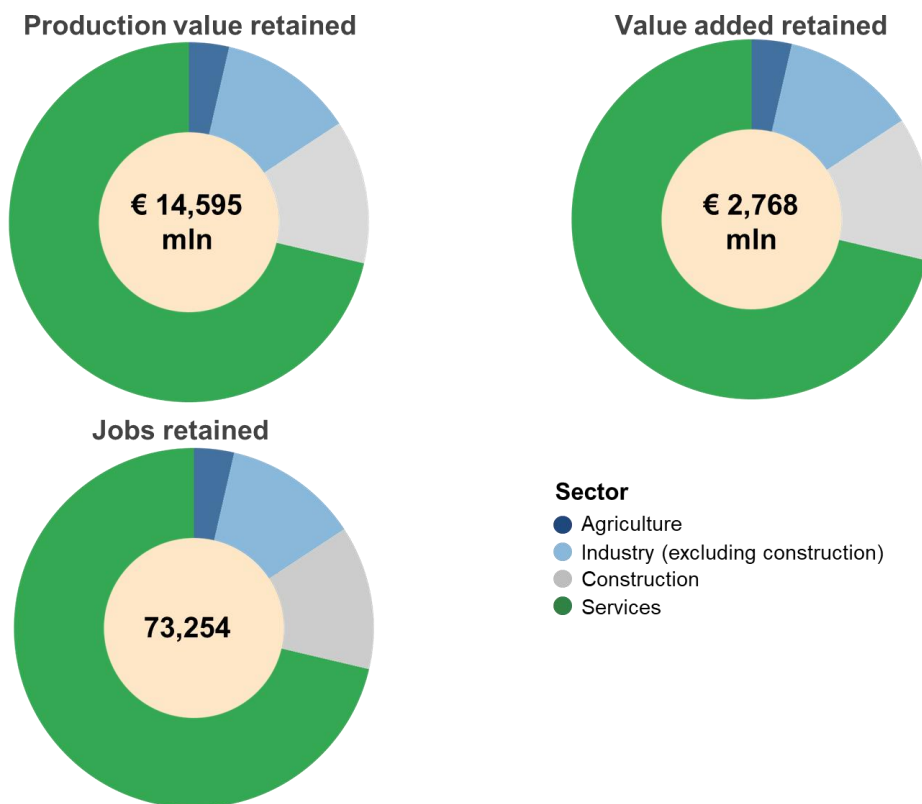


²⁸ The developed methodology assumes that the funding was used for working capital and other operating expenses and, in some cases, this proved crucial in avoiding voluntary business shutdowns. Such a methodology also allows to estimate the impacts stemming from default avoidance. Specifically, through 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

VILLAGGIO INSIEME



Villaggio Insieme (“Village Together”) is a therapeutic pilot project, unique in Italy, launched in 2019 in Carpenedolo (Lombardy), for the construction of a new nursing home designed to accommodate up to 40 persons suffering from Alzheimer’s disease and 20 patients affected by ALS (Amyotrophic Lateral Sclerosis) in dedicated units. The two innovative departments, located on different floors (by pathology), become a meeting and learning space, which change the paradigm of care with the goal of improving all the capabilities, not only the impaired ones.

For Alzheimer’s patients, the architectural design aims at recreating a familiar urban habitat in a protected context: rooms similar to home, common areas such as streets and squares for

interacting with family members, the doctor’s surgery, the supermarket, etc. For ALS patients, on the other hand, the room is not only provided with the necessary equipment for care, but is also set up in a family-friendly way: for example a home cinema system is available in every accommodation.

In addition, the new nursing home has a data science-based IT system capable of creating electronic medical record networked with medical devices, environmental sensors, motion sensors, other instruments and machines. Finally, the building is efficient in terms of energy saving and environmental sustainability.

CONSORZIO OBIETTIVO SOCIALE

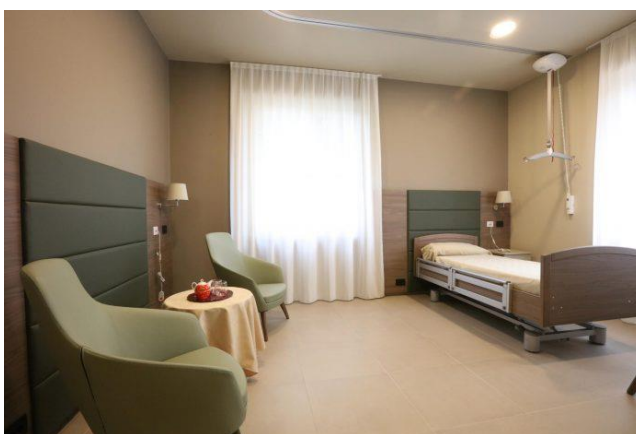
Consorzio Obiettivo Sociale aims to foster its associates in the acquisition of orders and in managing services in areas such as social care, health care, education and job placement of disadvantaged people.

Intesa Sanpaolo support made it possible to complete the renovation and adaptation of the “Sanpaolo Senior Housing” nursing home.

The nursing home located in Alba opened in December 2022. Five storeys high, with a large garden and no architectural barriers, the building has been provided with innovative solutions and Smart Home Automation Systems in order to make the stay in the facility more comfortable.

“Sanpaolo Senior Housing” is designed to accommodate elderly people who require different levels of care depending on their self-sufficiency degree. The building includes also common services such as: restaurant, library, hairdresser, gym, chapel, vegetable garden where guests may be involved in many activities

Particular attention is paid to physical and mental wellbeing as well as to the nutritional aspect. Thanks to collaborations with nationally renowned nutritionists and chefs, menus provided are tailored on the basis of the patients specific needs.



COOPERATIVA SOCIALE ARKE’



“Cooperativa Sociale Arkè” of Ischia (Naples) deals with socio-educational and welfare services for the population of the islands of the Gulf of Naples. Currently it employs about 40 people. The € 200,000 loan disbursed by Intesa Sanpaolo will allow to complete the first nursery on Ischia island leading to an increase of 15 employees. The nursery has an indoor area of approximately 700 s.m. and over 3000 s.m. of outdoor space: of 1500 sq. used as a children’s garden and 1500 s.m. as a parking area. The parking area is equipped with charging stations for electric vehicles and photovoltaic panels to improve the building energy efficiency.

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 commitment to accelerate climate change solutions is reflected in Intesa Sanpaolo decision to pursue the "Net-Zero" objective by 2050 for all its main business lines, including its own emissions, the lending and investment portfolios, the asset management and insurance divisions. In the fourth quarter of 2021, in addition to joining the Net-Zero Banking Alliance (NZBA), Intesa Sanpaolo joined the Net Zero Asset Managers Initiative (NZAMI) through Eurizon Capital SGR, Fideuram Asset Management SGR and Fideuram Asset Management Ireland, and the Net Zero Asset Owner Initiative (NZAOA) as well as the Net Zero Insurance Alliance (NZIA) through Intesa Sanpaolo Vita. In order to reach the Net Zero goal, the 2022-2025 Business plan included intermediate net zero aligned reduction targets for 2030 for the Oil&Gas, Power Generation, Automotive and Coal mining sectors, and in relation to own emissions, to reach carbon neutrality and 100% of energy purchased from renewable sources by 2030 as well. Intesa Sanpaolo's commitment also extends to protecting and restoring natural capital, with a target of planting more than 100 million trees over the four-year Plan horizon - directly as a Group or with dedicated financing for its clients - and through the adoption of a specific policy on biodiversity by 2025.

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 400 billion of new lending available over the NRRP (National Recovery and Resilience Plan) horizon, a total of 76 billion euro to finance green and circular economy (the latter with a dedicated plafond of 8 billion over the period) and the ecological transition and 12 billion 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 disburse 25 billion euros of 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. Complementary to the lending activity, the Bank supports social initiatives among others through crowdfunding projects – ForFunding and Formula – and the donations managed by the Fund for charitable, social and cultural contributions.

As concerns 2022 results, the Group disbursed around 6.3 billion euro for the green economy, circular economy and green transition; 3.1 billion euros in new loans were provided to the Circular Economy and around 2.2 billion in S-Loans, the Intesa Sanpaolo innovative 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 9 billion euro, equal to 11% of all Group's loans and €339mln specifically to Not for 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 the Task Force on Climate-related Financial Disclosures (TCFD).

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 2022 Climate Change "A List" of CDP 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 2022

31 December 2022



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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 2022

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 2022 of Intesa Sanpaolo S.p.A. (the "Bank") for the year ended 31 December 2022. 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").

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.

Our firm applies International Standard on Quality Control 1 (ISQC Italia 1) and accordingly maintains 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 perform our procedures to obtain limited assurance whether the Allocation Reports are free from material misstatement.

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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.

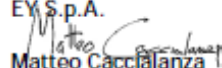
Conclusion

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 2022, are not prepared, in all material respects, in accordance with the criteria provided by the Framework.

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, 21 March 2023

EY S.p.A.

Matteo Caccialanza
(Auditor)