

PRESS RELEASE

INTESA SANPAOLO PRESENTS ISYBANK, THE GROUP'S NEW DIGITAL BANK Development of the digital strategy continues per the 2022-2025 Business Plan

- **Technology and growth to get investments of €5 billion, of which €650 million in the new digital bank, and 4,000 people involved, between new hires of technical personnel and internal reskilling within the Group**
- **The new digital bank is based on state-of-the-art technology, cloud-native adaptable to customers, with multi-currency, multi-national capabilities. It aims for European leadership in operational efficiency and innovation. Strategic partnership with Thought Machine**
- **The Isybank app, available starting from today for both iOS and Android, is simple, accessible and inclusive. It offers a wide range of everyday banking features alongside the indispensable human touch, which remains central to customer service. All it takes to become a customer is a few steps in real time**

Milan, 15 June 2023 – **Intesa Sanpaolo presents Isybank, the Group's new digital bank, a key project of the 2022-2025 Business Plan**, central to the customer service model and digital development strategy.

The **launch of the new company was held today in Milan at Gioia 22 – the *Shard of glass*** – the skyscraper located in Porta Nuova, Milan's up-and-coming innovation district, home to **the operational headquarters of Isybank and other Intesa Sanpaolo Group divisions**. Designed by Pelli Clarke Pelli Architects (PCPA), the building – 26 storeys, approximately 26,400 square metres – combines design with a green approach. It is the first skyscraper in Milan to be an NZEB – Nearly Zero Energy Building – with Leed Platinum certification, the highest level for compliance with environmental parameters. The building gets 65% of its energy needs from renewable sources, saving around 3,000 tonnes of CO₂ each year. It has also obtained the Well Gold Certification for design that pays attention to the well-being of the people who work there, with welcoming environments, including greenery to encourage togetherness and inclusion in the workplace, in keeping with the principles of the Bank's Next Way of Working, the programme aimed at the motivation, well-being and development of the Group's people.

Speakers for Intesa Sanpaolo at the event were **Stefano Barrese**, Head of the Banca dei Territori Division, and **Paola Papanicolaou**, Head of the Transformation Coordination Area, in a panel on the **digital development of Intesa Sanpaolo** that included the remarks by **Tara Brady**, President Google Cloud for Europe, Middle East and Africa. This was followed by a discussion between **Virginia Borla**, Head of Business Governance, Banca dei Territori Division, and **Massimo Proverbio**, Chief Data, AI, Innovation and Technology Officer, in a panel focused on **Intesa Sanpaolo's service model, the value of people and technology**, to which **Paul Taylor**, Founder & CEO Thought Machine, a leading fintech company and former Isybank partner, also contributed.

Antonio Valitutti, CEO of Isybank, **presented the innovative approach of the new digital bank**, demonstrating the functions of the app at the centre of the new digital ecosystem.

The presentation concluded with a speech by **Carlo Messina**, CEO Intesa Sanpaolo.

"The digital transformation of Intesa Sanpaolo continues with the launch of Isybank. This project is one of the pillars of the 2022-2025 Business Plan. This is a further step towards making our Group an example of best practice in the technological sphere as well. It is a break with the bank's past, which will enable it to be a leader on the European market in terms of operational efficiency and innovation in the service of its customers." commented **Carlo Messina**, CEO of Intesa Sanpaolo. *"At the same time, the digital competencies of the bank's core business continue to be reinforced decisively, with a focus on growth drivers, through significant investments in human capital and the development of a business model that has proven successful due to its diversification and resilience."*

➤ **Intesa Sanpaolo's roadmap towards digital transformation**

Intesa Sanpaolo started investing strategically in technology several years ago, embarking on a journey of profound digital transformation strongly oriented towards customer relationship care.

In 2014, the Group's website and mobile banking apps were redesigned to create an excellent, innovative digital experience. Today the Group has 12.3 million multichannel customers, of whom **8.3 million use the Intesa Sanpaolo Mobile app**, recognised by Forrester Research as the **best banking app in the world** for functionality and experience. Some figures bear out these characteristics: one and a half billion logins on average each year, 186 million transactions and digital sales accounting for almost 40% of the total sales of the Banca dei Territori Division.

The pandemic also accentuated the development of new habits in customers and resulted in more sophisticated needs, pointing to new challenges and objectives, including maintaining the human touch in the digital approach and developing increasingly specific cybersecurity tools to guard against emerging risks. Today, Intesa Sanpaolo's customers benefit from an innovative, inclusive digital platform supported by a significant physical network. The **omnichannel relationship model** harnesses advanced technological solutions, all-digital processes that offer a simple, intuitive and distinctive experience, including investments, sales strategies developed through AI Sales – a project for which EFMA (now QORUS) had already recognised Intesa Sanpaolo in 2021 as the most innovative bank in digital sales of a panel of 70 European competitors.

➤ **Isybank in Intesa Sanpaolo's 2022-2025 Business Plan**

The launch of the new digital bank is one of the pillars of the 2022-2025 Business Plan, with which Intesa Sanpaolo has announced that it wants to build "the bank of the next decade": the Group's ambition is to be a leader in Europe in wealth management, protection and financial advisory services, a solid partner for a sustainable, inclusive world, excelling in ESG, capable of creating value, with zero NPLs, a strong push towards digital and a focus on fees.

Isybank has the solidity and commercial offering of a bank, combined with simple, fast services typical of a fintech company. It is totally digital but values the human touch, as Intesa Sanpaolo's approach is to protect the value of people in customer interaction.

As part of the implementation of the Plan, Isybank is thus **targeting the four million Intesa Sanpaolo customers** who already do not use branches, as they are **mainly digital users of banking services and mobile banking-oriented**.

In keeping with the needs of this increasingly numerous, growing group of customers, Isybank has been designed according to criteria of **simplicity, accessibility and inclusiveness**, while continuing to allow a direct relationship with the operators of the digital branch, which responds to customers from Monday to Thursday from 7 a.m. to midnight, on Fridays from 7 a.m. to 10 p.m. and on weekends and holidays from 9 a.m. to 7 p.m.

With **Isybank, Intesa Sanpaolo enters the fintech world**, marking the Bank's transition from incumbent to challenger, further improving customer service, while also creating innovative, flexible work opportunities for the Bank's people.

At the helm of the new digital bank are CEO **Antonio Valitutti** and Chairman **Mario Boselli**. The board also includes Virginia Borla, Giampio Bracchi Donatella Busso, Renato Cerioli, Andrea Chioatto, Achille Galdini and Paola Papanicolaou.

Over the course of the Business Plan, investments of €650 million are planned to develop and grow Isybank: €128 million invested in 2022, followed by a further estimated €152 million in 2023, with a strong impact on the technology infrastructure of the entire Group, and operational launch in 2024 to a large number of customers. There are already 400 specialists dedicated to the new digital bank.

The Group has drawn up an investment plan of €5 billion for technology and growth and will employ 4,000 people of Intesa Sanpaolo, between reskilling and recruitment of specific profiles, including about **2,000 IT professionals**, to whom - as Italy's leading private employer and one of the 'best employers', according to LinkedIn and the Top Employers ranking - it offers professional development and growth.

The creation of Isybank enables a reduction in the Group's cost-to-serve, which is instrumental in further strengthening its competitive advantage in cost management and achieving leadership in Europe in operational efficiency and customer service innovation.

The digital transformation achieved with Isybank's operations will be extended to all areas of the Intesa Sanpaolo Group, through new investments in the full digitalisation of the customer experience at every level, further strengthening of internal control systems as part of the digital evolution of processes and new solutions based on artificial intelligence in compliance activities.

➤ **The partnership with Thought Machine**

Isybank is based on cloud-native technology, adaptable to a multi-currency environment and multinational customers.

Intesa Sanpaolo has identified **Thought Machine** – a core banking technology company based in the UK, with regional offices in New York, Singapore and Sydney – as the ideal partner to bring the new digital banking platform to life. The partnership is made even more significant by the equity stake of GBP 40 million taken by Intesa Sanpaolo, allowing it to participate in the company's growth journey.

The new platform will therefore be able to make use of Vault, Thought Machine's core banking engine, chosen for its flexibility in serving customers operating in different currencies and different

countries. The Bank has announced its intention to **extend Thought Machine's role to other customer segments**, beyond mass-market retail banking, **both in Italy and abroad**, and to **the Group's wider infrastructure**, thanks to the replacement of the core mainframe-based technology with a move to cloud infrastructure – implemented in Italy in Turin and Milan thanks to the SkyRocket agreement signed by Intesa Sanpaolo with TIM and Google – meeting the highest standards of reliability, security and data protection. The aim is to increase operational efficiency, in pursuit of full integration between the human and digital components of the service.

➤ **How Isybank works: the new app**

The **new, simple and intuitive Isybank app will be available starting from today in both iOS and Android versions**.

Registration takes just a few minutes. After a few short steps, the account is active in real time, with a choice of the most suitable plan from the three available: **isyLight, isySmart and isyPrime**.

From the app, customers manage their account and cards, and for every need they have the option "Talk to us", which allows them to enter into direct communication with a manager of the Group's digital branch. This is a distinctive feature, which ensures the customer reliability and quality of service in simple, transparent language.

In just a few taps, all major **payments** can be made, from top-ups to credit transfers to car tax, to the most common tax payments (e.g., F24). From the app, it is also possible to request and receive a **salary or pension advance** instantly, up to 15 days before the crediting date. In addition, by clicking a single button, it is possible to transfer accounts and utilities to Isybank from another bank.

With the **digital card, now available in app**, customers can pay online and in-store directly from their smartphones. A **physical card made of recycled material** is also available, and can be customised to suit the customer's style. From the app, users can **configure payment card limits and set up geocontrol**, as well as **easily block or suspend them** in an emergency.

Using **BANCOMAT Pay®**, customers can exchange money with contacts in their address books in real time and pay in affiliated shops, while via **Prelievo Cardless** they can make withdrawals from all enabled ATMs of the Italian banks of the Intesa Sanpaolo Group, directly from the app without using their card.

In line with the Intesa Sanpaolo Group's focus on people, Isybank's channels are fully accessible, with a view to maximum inclusion.

For further information

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Intesa Sanpaolo is Italy's leading banking group – serving families, businesses and the real economy – with a significant international presence. Intesa Sanpaolo's distinctive business model makes it a European leader in Wealth Management, Protection & Advisory, highly focused on digital and fintech, in particular with Isybank, the Group's digital bank. An efficient and resilient Bank, it benefits from its wholly-owned product factories in asset management and insurance. The Group's strong ESG commitment includes providing €115 billion in impact lending by 2025 to communities and for the green transition, and €500 million in contributions to support people most in need, positioning Intesa Sanpaolo as a world leader in terms of social impact. Intesa Sanpaolo is committed to Net Zero by 2030 for its own emissions and by 2050 for its loan and investment portfolios. An engaged patron of Italian culture, Intesa Sanpaolo has created its own network of museums, the Gallerie d'Italia, to host the bank's artistic heritage and as a venue for prestigious cultural projects.

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