SECTION 4 – RISKS OF OTHER COMPANIES

The risks of other companies are essentially concentrated:
- in the companies Romulus Funding Corp. and Duomo Funding Plc., included on the scope of consolidation pursuant to IFRS 10;
- in the Risanamento Group companies, consolidated for accounting purposes starting in 2015, but not subject to management and coordination.

THE VEHICLES ROMULUS FUNDING CORPORATION AND DUOMO FUNDING PLC

Qualitative and quantitative information

These two special-purpose vehicles are the Intesa Sanpaolo Group's asset-backed commercial paper conduits, established to support Intesa Sanpaolo’s strategy of offering customers an alternative financing channel via access to the international asset-backed commercial paper market. The assets originated by European customers are purchased by Duomo, whereas Romulus is responsible for U.S. assets and fund-raising on the U.S. market through the issuance of asset-backed commercial paper. Nonetheless, due to the subsequent downgrading of Intesa Sanpaolo at the end of 2014, U.S. investors gradually divested without the vehicle being able to find new third-party investors with which to place the asset-backed commercial papers. The risks associated with these entities, and more specifically, the potential interest rate and exchange rate risks arising from the operations of the two companies, must be covered in accordance with the Intesa Sanpaolo Group policy for the management of these risks. Companies are not generally permitted to take foreign-exchange positions. As at 31 December 2024, the assets of Romulus included 5.2 billion euro in loans to the vehicle Duomo. Against those assets, the vehicle issued asset-backed commercial paper (ABCP) with a carrying amount of 5.2 billion euro, almost all of which has been subscribed by the Parent Company, Intesa Sanpaolo. With regard to the portfolio of the vehicle Duomo, at the end of 2024 this portfolio mainly consisted of securities of 7.69 billion euro.

The table below shows the information and figures for the above two vehicles as at 31 December 2024.

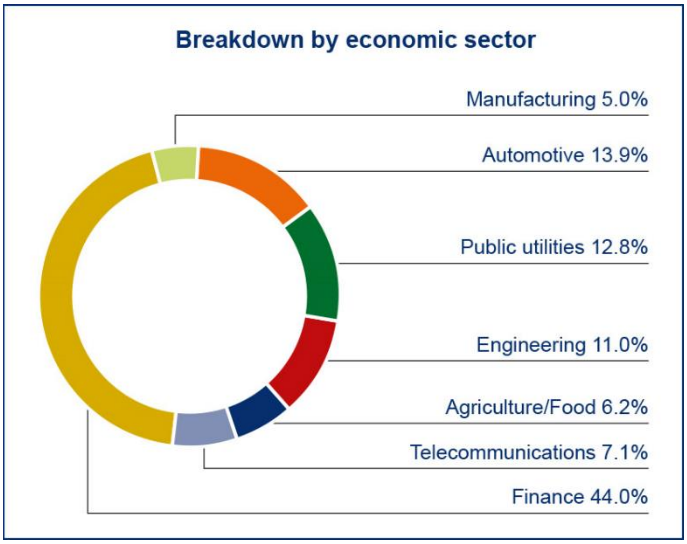
(millions of euro)

	Vehicle data		Liquidity lines (2)	Guarantees given		Securities issued	*of which: held by the Group*		
	Total assets	Cumulated losses		nature	amount	amount	amount	Accounting classification	Valuation
ROMULUS FUNDING CORP.	5,199 (1)	-	-		-	5,198	5,180	Fin. Ass. at amm. cost	Amortised cost
DUOMO FUNDING PLC	7,690	-	8,440		-	-	-		

(1) Entirely made up of loans disbursed to Duomo for transactions booked in the financial statements of the vehicle.

(2) These are Fully Supporting Liquidity Facilities issued by the Parent Company Intesa Sanpaolo, of which 8,440 million euro is committed out of an amount granted of 15,000 million euro.

The total assets of the conduits Romulus and Duomo, net of dealings between the two vehicles, made up approximately 1% of the total consolidated assets. The portfolio risk of the two vehicles is approximately 45.92% accounted for by trade receivables and the remainder by consumer loans (15.48%), loans deriving from factoring and lease contracts (2.57%), mortgage loans (0.01%), loans to SMEs (21.28%), loans/lease contracts to pharmaceutical companies (0.85%), and auto loans and leases (13.89%). The eligible assets held by the vehicles are mainly expressed in euro (94.50% of the total portfolio). The remainder is broken down into British pounds (4.27%), US dollars (0.63%), Mexican pesos (0.25%), Swedish kroner (0.19%), Polish zloty (0.13%), Australian dollars (0.01%), Swiss francs (0.01%) and Danish kroner (0.01%).
The following information is provided concerning the portfolio of eligible assets.



With regard to the rating breakdown of the loan portfolio, 98% does not have a rating and the remaining 2% is rated above "A".

With reference to the geographical distribution of the assets held by the two vehicles, approximately 86.7% of the debtors are located in Italy.

RISANAMENTO GROUP

Qualitative and quantitative information

Intesa Sanpaolo holds a 48.88% interest in the share capital of Risanamento, a property and development company listed on the Italian Stock Exchange, originally focused on the renovation and development of the strategic metropolitan area of Milano Santa Giulia (MSG), located in the south-east of Milan. Although Risanamento is included in the Group's accounting scope of consolidation, Intesa Sanpaolo does not perform management and coordination activity over Risanamento S.p.A. and its subsidiaries pursuant to Article 2497 et seq. of the Italian Civil Code. Additionally, Risanamento is not part of the Intesa Sanpaolo Banking Group, because the business conducted by the company is not related to the banking sector.

During the second quarter of 2023, a complex transaction (known as Project Starfighter) for the corporate and financial restructuring of the Risanamento Group was completed with Lendlease, a leading international operator in the infrastructure sector. The purpose of the transaction was to implement a real estate project in the MSG industrial area and maximise the value of the site and it included the debt discharge of the Risanamento Group and the conversion of the credit exposure held by Intesa Sanpaolo and other banks into units of an AIF managed by Lendlease (Heartbeat Fund), in addition to the transfer to the AIF of the surface rights of the MSG area by Risanamento, which retained the bare ownership, together with the commitment to complete the remediation and infill work on the area.

On 30 October 2024, the Board of Directors of Risanamento approved the Group's interim statement as at 30 September 2024, which showed a consolidated net loss of 27.5 million euro, a positive consolidated net financial position of 27.6 million euro, and a positive consolidated shareholders' equity of around 25.1 million euro. The report also noted that, with respect to the original schedule, some delays had accumulated in the implementation of the remediation works due to (i) the permits related to the pollutant treatment plant managed by the third-party contractor; (ii) the discovery of material containing asbestos on site; and (iii) the necessary modifications to align the original Remediation Operational Plan (ROP) to the new volumetric plan.

The company also stated in its Report that these events, which arose after the original plan, not only prevented adherence to the initially scheduled timelines, but also resulted in a series of additional costs that were still being determined at the time.

Additionally, on 24 January 2025, Risanamento published its financial calendar for the 2025 financial year, setting 19 March as the date for the approval of the annual financial statements and the consolidated financial statements for the 2024 financial year. This date, unlike in previous years, is after the date of 27 February 2025 when the Board of Directors of Intesa Sanpaolo approves the draft annual financial statements of the Parent Company and the consolidated financial statements for the year 2024.

By the date of approval of the Intesa Sanpaolo financial statements no board meetings of Risanamento had been held that approved the company's data as at 31 December 2024 and it was therefore not possible to include them in Intesa Sanpaolo's consolidated financial statements, in line with the Group policy which stipulates that the financial data of subsidiaries must be previously approved by their respective Boards of Directors in order to be included in the Group's consolidated financial statements. Consequently, the data of the Risanamento Group as at 30 September 2024 was used for the contribution to the consolidated financial statements of Intesa Sanpaolo as at 31 December 2024, in accordance with IFRS 10, which stipulates that the difference between the date of the subsidiary's financial statements and that of the consolidated financial statements must not be more than three months. The data as at 30 September 2024 of the Risanamento Group have also been adjusted, on a prudential basis and based on the currently available information, to account for the uncertainty mainly related to the additional costs for the remediation works, which had already been announced by Risanamento in its Interim Statement as at 30 September 2024, without any material effects on Intesa Sanpaolo's consolidated income statement.