

PRESS RELEASE

GIAN MARIA GROS-PIETRO AND CARLO MESSINA: LETTER TO STAKEHOLDERS

Milan/Turin, 29 March 2019 - With the 2018-2021 Business Plan, Intesa Sanpaolo confirms its goal to be a **leading Bank in Europe**, focused on the creation of long-term and sustainable value and its distribution to all stakeholders. The Plan relies on solid bases and can count on the vital contribution of our people and a cutting-edge digital platform. In response to the requests received from stakeholders regarding sustainability, the Group is also seeking to reinforce its leadership role in Corporate Social Responsibility and become an exemplary model for society.

The Group's performance in 2018 confirms Intesa Sanpaolo's ability to create value, with **growing and sustainable profitability over time**, thanks to a unique business model geared towards a low risk profile, operating efficiency and the ability to generate revenue through innovation and expanding the scopes of activities. In particular, Intesa Sanpaolo has confirmed its position as a driving force behind the development of the real economy by disbursing approximately 60 billion euro in new medium- to long-term loans, with some 50 billion in Italy, around 42 billion euro of which was granted to households and SMEs. In addition, the Group facilitated the return from non-performing to performing status of around 20,000 Italian companies, with a positive impact on employment through the protection of over 100,000 jobs.

Intesa Sanpaolo is the **engine of the social economy in Italy**: the dividends distributed by the Bank have enabled the foundations that are among its shareholders to grant more than half of the total funds granted by all Italian banking foundations. A particular focus has been placed on financial inclusion. In 2018, **approximately 4.5 billion euro in high-social impact financing was disbursed for the most vulnerable segments of customers**, households affected by disastrous events, microcredit and the third sector.

In line with the Business Plan, **the Fund for Impact was launched**, which will make it possible to disburse loans of around **1.2 billion euro to sections of society that find it difficult to access credit**, in spite of their potential. The first initiative - per Merito - entailed financing provided to students residing in Italy, over 1.7 million young people, with the aim of increasing, in a structural manner, access to Italian and foreign universities with no need for guarantees. The Group has also provided considerable support to households and businesses affected by earthquakes and natural disasters, as well as the bridge collapse in Genoa, with cancellations and suspensions of loans, along with subsidised loans for reconstruction. **In 2018, approximately 250 million euro was granted to support social enterprises and the third sector.**

The Bank pays constant attention to excellence in the quality of service provided to customers, the satisfaction indices of which are on the rise, and has developed its products and services offered through a multi-channel platform and smart technology for digitisation and dematerialisation. **Intesa Sanpaolo is the first multi-channel bank in the country**, with 85% of its products available on multi-channel platforms, 8.3 million multi-channel customers, and 15.7 million paperless transactions over the year.

Intesa Sanpaolo is also committed to offering its customers sustainable investment products, which envisage environmental, social and governance criteria in financial analysis: the Group is the leading operator in Italy in this respect. In particular, **Eurizon**, which has adhered to the Principles for Responsible Investment since 2015, **is the first asset management company in Italy operating in sustainable and ethical funds**, thanks to a wide range of dedicated products, worth a total of 5.6 billion euro.

The Bank has always assigned a central role to projects promoting the social, cultural and civil growth of the communities in which it operates and has set out various actions and developed initiatives to respond to needs arising from social emergencies. **The overall monetary contribution to the community in 2018 totalled some 62 million euro**, half of which was put towards art and culture. In 2018, the Fund for charitable, social and cultural donations of Intesa Sanpaolo has disbursed approximately 12 million euro in support of over 900 projects carried out by non-profit organisations. Intesa Sanpaolo also supports a series of financial literacy initiatives, designed and developed by the Museo del Risparmio (*Savings Museum*), the first multimedia financial education workshop in the world. **There has also been the launch of a major project for reducing child poverty and helping people in need**, which, in 2018, through support to charity bodies and associations, allowed for 3.3 million meals and over 94,000 beds to be offered, around 48,000 medicines to be provided, and 36,000 items of clothing to be given out.

The commitment to develop the artistic, cultural and historical heritage of the Group, so as to promote art and culture in Italy and abroad, saw **over 500,000 visitors come in 2018 to admire the collections on display in the museum complexes of Gallerie d'Italia** in 14 major exhibitions, while roughly 73,000 children and young people took part in free educational activities.

Intesa Sanpaolo's environmental commitment has ensured the continuity of the CO₂ emission containment measures, thanks to a multi-year action plan, and also of the support for the development of the green economy, with loans totalling over 1.9 billion euro disbursed in 2018. In particular, the commitment to the **circular economy**, developed in partnership with the Ellen MacArthur Foundation, was reinforced through the establishment of a **credit plafond of 5 billion euro and the launch of the first Italian laboratory for the circular economy** – in conjunction with Fondazione Cariplo - dedicated to businesses. The Intesa Sanpaolo Green Bond, issued in 2017 and totalling 500 million euro, was fully allocated for the financing of 77 projects, which made it possible to avoid the generation of over 213,000 tonnes of CO₂ emissions annually.

The results achieved were made possible by the people who work at Intesa Sanpaolo. Thanks to their professionalism, expertise and growth paths, together with a major technological investment introduced for digital transformation, our employees guarantee top-quality customer service and the achievement of all the 2018-2021 Business Plan objectives. Their involvement in the objectives for the future is demonstrated by the subscription to the capital increase reserved to employees, which exceeded 80%. Major initiatives of the Plan were set out during 2018 for our employees, firstly by protecting employment, **with 1,000 employees already reassigned to priority initiatives**, and by supporting their development and growth, first and foremost through training initiatives (9.1 million hours provided in 2018), and also through talent development projects. Many activities have been dedicated to the ongoing improvement of the integrated welfare system, characterised by heavy investment and innovative initiatives in the areas of work-life balance (around 11,500 people can take part in the flexible work scheme), inclusion and non-discrimination. **For the first time ever, the promotion of increasing female representation in higher positions is a goal that has been included as one of the management objectives.**

In accordance with its commitment to sustainability, Intesa Sanpaolo has signed up to a series of international initiatives, including the **Global Compact**, the United Nations Environment Programme Finance Initiative (UNEP-FI) and the **Equator Principles**. In addition, in order to strengthen its commitment to disseminating transparent reporting on the risks and opportunities linked to climate change, Intesa Sanpaolo decided in October 2018 to support the recommendations of the Task Force on Climate-related Financial Disclosures.

Intesa Sanpaolo's mission to foster cultural, social and civil growth in the areas in which it operates is reflected in the contribution provided by its initiatives in order to achieve the United Nations Sustainable Development Goals, supporting and encouraging new prospects for sustainable growth and development at a global level. The Corporate Social Responsibility commitment was recognised with **Intesa Sanpaolo's inclusion in a number of sustainability indices**, including, as the only Italian Bank featured, the Dow Jones Sustainability Indices, CDP's Climate Change A List 2018 and the index of the 100 most sustainable corporations in the world, compiled by Corporate Knights. These results, described in greater detail in the Consolidated Non-Financial Statement, encourage us to be confident about the future and the expectations of our stakeholders, with whom we uphold an open and attentive dialogue. Our commitment to each of them remains the benchmark for all that we do.

For Further Information

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