

2022 Results

Excellent performance and Balance sheet further strengthened

Delivering on Business Plan commitments and ready to further succeed in the future

A strong bank for a sustainable world

February 3, 2023

Net income at €5.5bn when excluding Russia de-risking, driven by high-quality earnings, exceeding >€5bn 2022 Business Plan target

€5.5bn FY22 Net income (€1.1bn in Q4) when excluding Russia de-risking⁽¹⁾, 2022 Business Plan target of >€5bn exceeded

€4,354m FY22 stated Net income (€1,070m in Q4), the best year since 2007

Capital position significantly strengthened in Q4 (+110bps vs Q3) with fully phased-in Common Equity ratio up to 13.5%⁽²⁾ (close to 13% at the end of 2023 taking into account regulatory headwinds)

€3bn cash dividends for 2022, equal to a 70% payout ratio⁽³⁾, second tranche of buyback (€1.7bn) to be launched in the next few days bringing total additional distribution to €3.4bn

Best-ever year for Operating income (+3.3% vs FY21⁽⁴⁾), Operating margin (+7.4% vs FY21⁽⁴⁾) and Gross income (+11.5% vs FY21⁽⁴⁾), with Q4 the best-ever quarter for Operating income (+13.2% vs 4Q21⁽⁵⁾)

Significant growth in Net interest income (+20.2% vs FY21⁽⁴⁾) with strong acceleration in Q4 (+28.4% vs Q3)

Decrease in Operating costs (-0.4% vs FY21⁽⁴⁾) with Cost/Income ratio down to 50.9% (-1.9pp vs FY21⁽⁴⁾) while investing in technology

68% reduction of Russia exposure in H2 (-€2.5bn), down to below 0.3% of Group customer loans

€4.6bn gross NPL stock reduction in FY22 (-€0.7bn in Q4), lowest-ever NPL stock and ratio (at 1.0%⁽⁶⁾) and lowest-ever NPL inflow⁽⁷⁾

Rock-solid capital position, Zero-NPL Bank with Russia exposure approaching zero and execution of the 2022-2025 Business Plan proceeding at full speed

(1) €1.4bn provisions/writedowns for Russia-Ukraine exposure

(2) Already taking into account the impact of the second tranche of the buyback (€1.7bn)

(3) As envisaged in the 2022-2025 Business Plan. €1.4bn paid as an interim dividend on 23.11.22

(4) Data redetermined considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group. In addition, 2021, 1Q22 and 2Q22 data restated to reflect the consolidation of Compagnie de Banque Privée Quilvest (Fideuram Group) since July 2022 and the sale of Intesa Sanpaolo Formazione at end-June 2022

(5) Data restated to reflect the consolidation of Compagnie de Banque Privée Quilvest (Fideuram Group) since July 2022 and the sale of Intesa Sanpaolo Formazione at end-June 2022

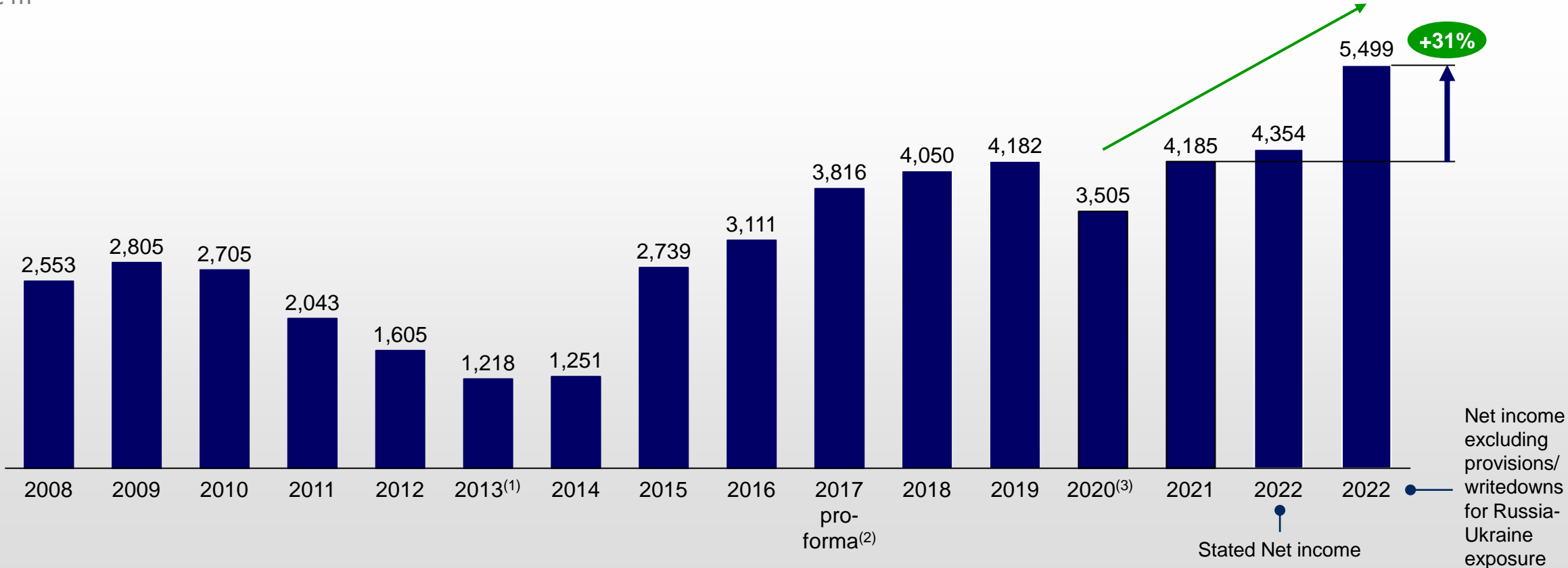
(6) Net NPL ratio according to EBA definition

(7) Excluding Russia-Ukraine exposure

The best Net income since 2007 even taking into account Russia de-risking...

Net income

€ m



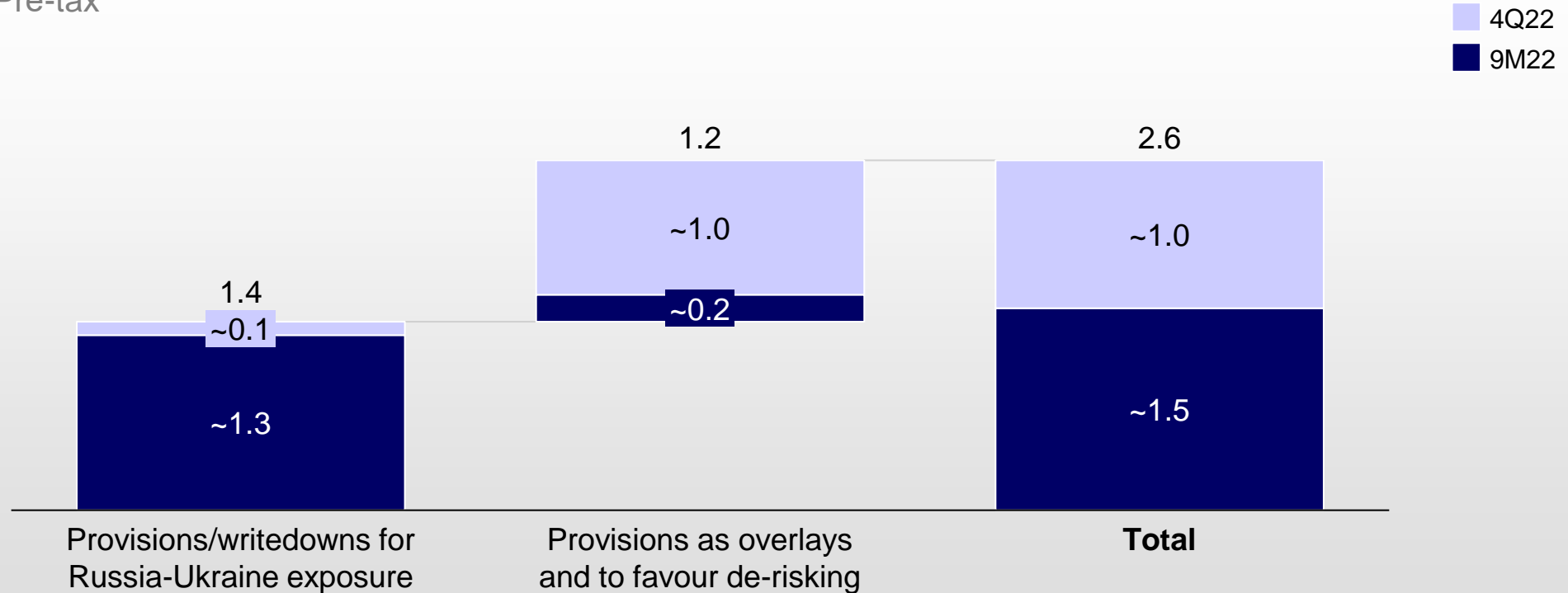
2022 Business Plan Net income target of >€5bn exceeded when excluding Russia de-risking

(1) Excluding goodwill and intangible assets impairment
 (2) Management data including the contribution of the two former Venetian banks – excluding public cash contribution – and the Morval Group consolidation
 (3) Excluding the accounting effect of the combination with UBI Banca and goodwill impairment

... allocating €2.6bn out of 2022 Gross income for Russia de-risking and to succeed in the future...

€1.4bn provisions/writedowns for Russia de-risking and €1.2bn provisions as overlays and to favour de-risking

FY22; € bn; Pre-tax



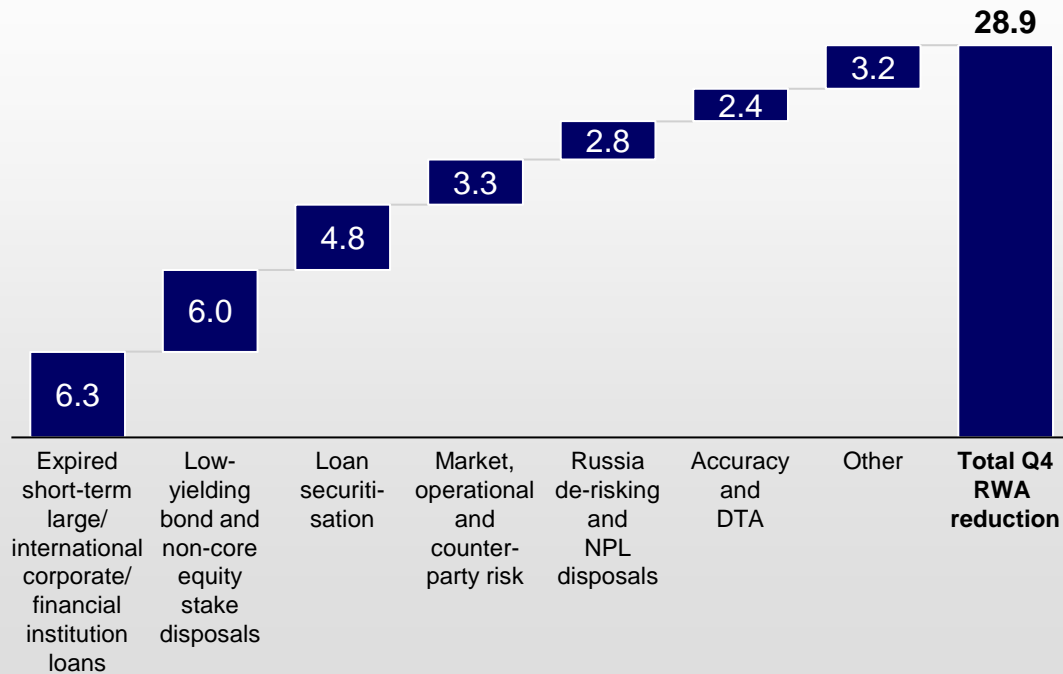
- **68% reduction of Russia exposure in H2 (-€2.5bn), below 0.3% of Group customer loans**
- **€0.9bn as overlays still available (up €0.5bn in Q4)**

Note: figures may not add up exactly due to rounding

... while reducing RWA in Q4 to significantly strengthen capital and contributing to value creation

Strong reduction of RWA in Q4...

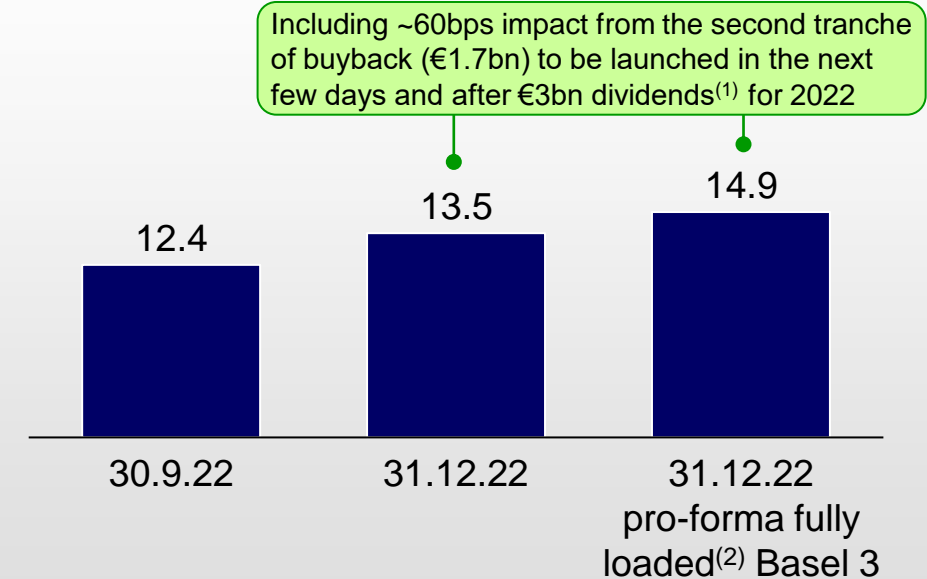
Risk-weighted assets; € bn



RWA reduction mainly relates to positions EVA negative or no longer justified in relation to absorbed capital, with a particular focus on de-risking and credit portfolio steering, with no material impact on future Group profitability

... significantly strengthening capital position

ISP fully phased-in CET1 ratio; %



- Fully phased-in CET1 ratio expected to be close to 13% at the end of 2023, >13% in 2024 and >13.5% in 2025 (>13% post Basel 4, ~14% including DTA absorption), taking into account 70% cash payout ratio and not considering any additional distribution to be evaluated year-by-year
- Fully phased-in CET1 ratio target >12% (Basel 3/Basel 4) throughout 2022-2025 Business Plan horizon confirmed

Note: figures may not add up exactly due to rounding

(1) Including €1.4bn paid as an interim dividend on 23.11.22

(2) 31.12.22 financial statements considering the total absorption of DTA related to IFRS9 FTA, DTA convertible in tax credit related to goodwill realignment and adjustments to loans, DTA related to non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of operations of the two former Venetian banks, as well as the expected absorption of DTA related to the combination with UBI Banca and to the new agreement with Labour Unions signed on 16.11.21 and DTA on losses carried forward, and the expected distribution on FY22 Net income of insurance companies

Confirmation of strong and sustainable value creation and distribution enabled by excellent 2022 performance and Balance sheet further strengthened

	2022 results	2022-2025 Business Plan targets	
2022 Net income	€5.5bn <i>when excluding Russia de-risking</i>	>€5bn <i>Business Plan target for 2022</i>	✓
Payout ratio	70% €3bn <i>cash dividends⁽¹⁾ for 2022</i>	70% <i>2022-2025</i>	✓
Buyback	€3.4bn <i>of which €1.7bn to be launched in the next few days Any additional distribution to be evaluated year-by-year</i>	€3.4bn	✓
Basel 3/Basel 4 fully phased-in CET1 ratio	13.5% 14.9% <i>taking into account the additional benefit from DTA absorption⁽²⁾</i>	>12% <i>throughout the Business Plan horizon</i>	✓
Net NPL ratio ⁽³⁾	1.0%	~1% <i>throughout the Business Plan horizon</i>	✓

Clear and strong upside to the €6.5bn Net income target for 2025 from interest rate increases

(1) Including €1.4bn paid as an interim dividend on 23.11.22

(2) And the expected distribution on FY22 Net income of insurance companies

(3) According to EBA definition

FY22: high-quality earnings

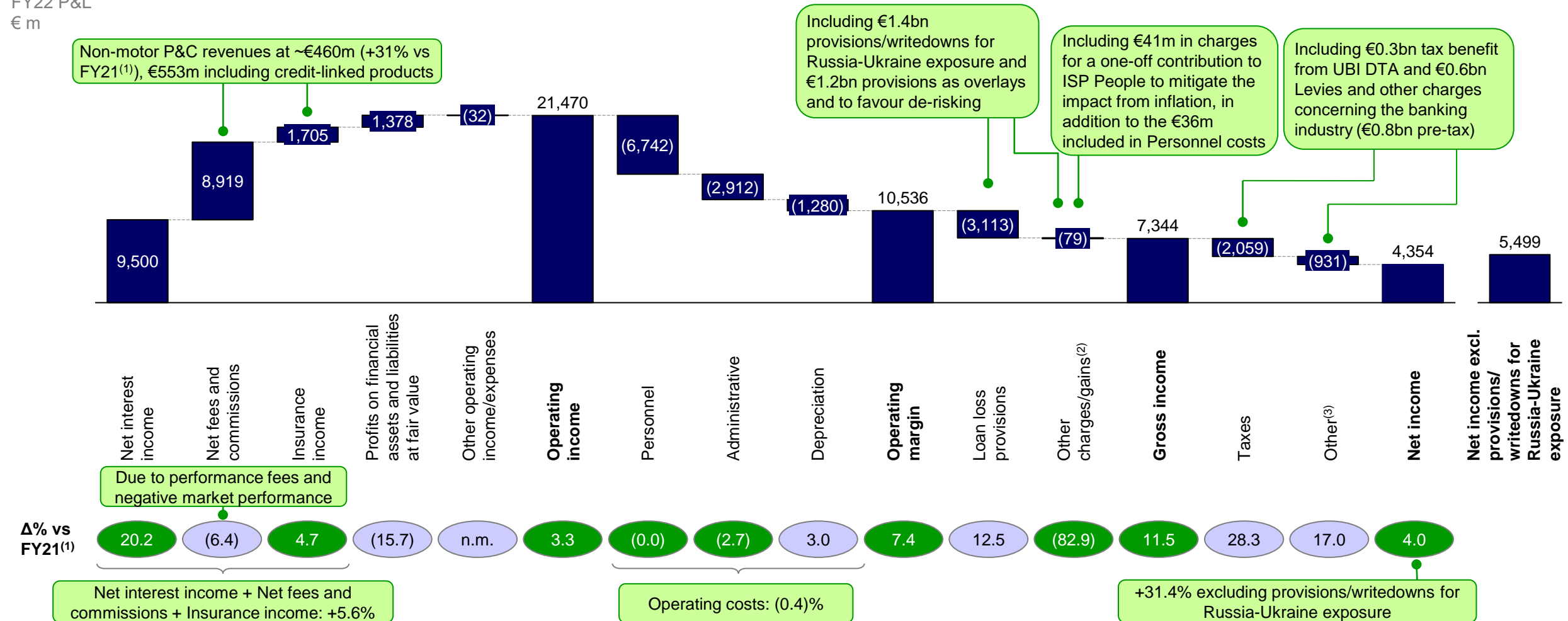
2022-2025 Business Plan proceeding at full speed

ISP is fully equipped for further success

2022: €5.5bn Net income when excluding Russia de-risking, driven by high-quality operating performance, exceeding >€5bn 2022 Business Plan target

FY22 P&L

€ m



Note: figures may not add up exactly due to rounding. 2021, 1Q22 and 2Q22 data restated to reflect the consolidation of Compagnie de Banque Privée Quilvest (Fideuram Group) since July 2022 and the sale of Intesa Sanpaolo Formazione at end-June 2022

(1) Data redetermined considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

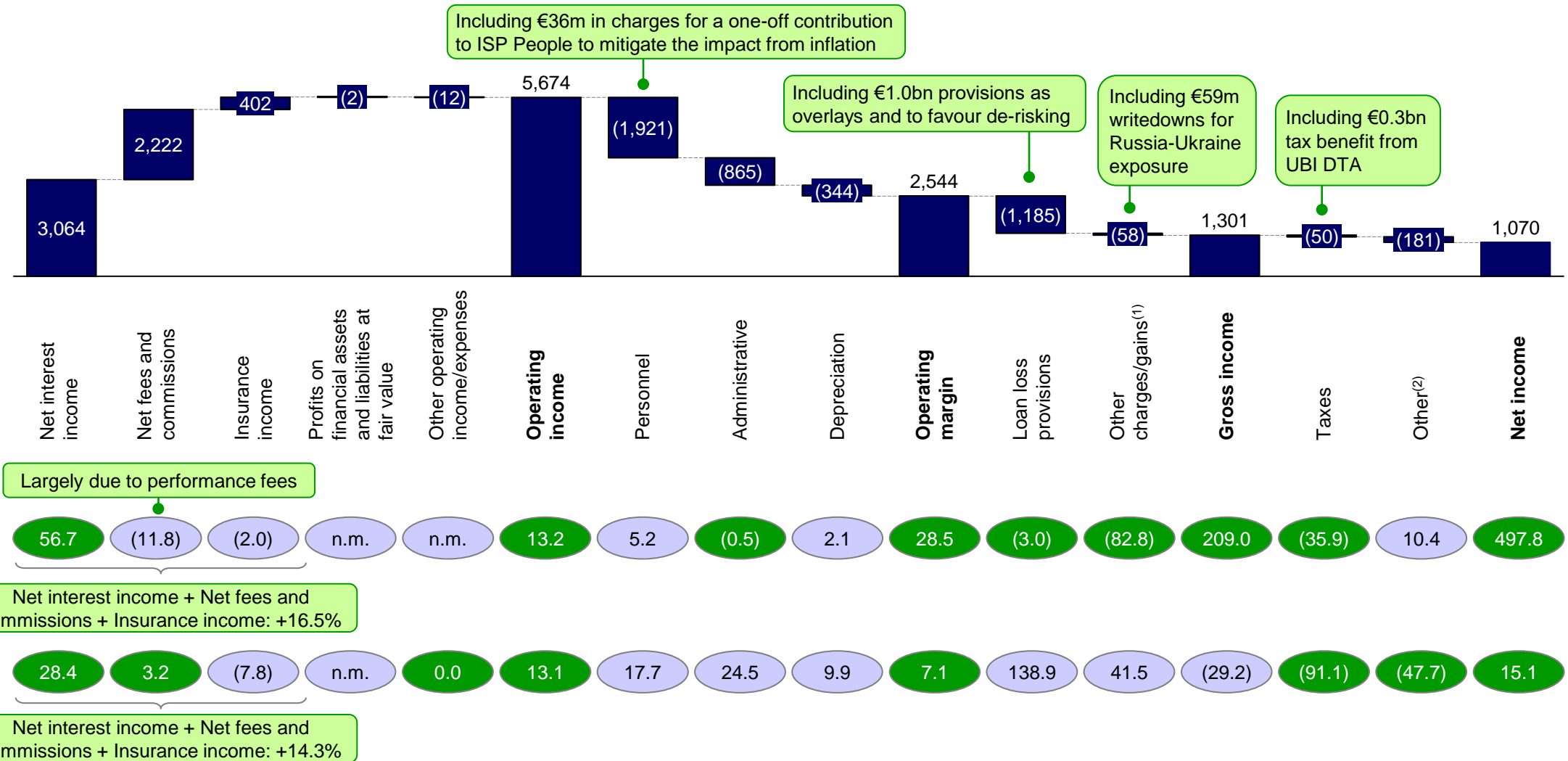
(2) Net provisions and net impairment losses on other assets, Other income (expenses), Income (Loss) from discontinued operations

(3) Charges (net of tax) for integration and exit incentives, Effect of purchase price allocation (net of tax), Levies and other charges concerning the banking industry (net of tax), Impairment (net of tax) of goodwill and other intangible assets, Minority interests

Q4: €1.1bn Net income driven by high-quality operating performance, coupled with conservative provisions and strengthened buffers to succeed in the coming years

4Q22 P&L

€ m

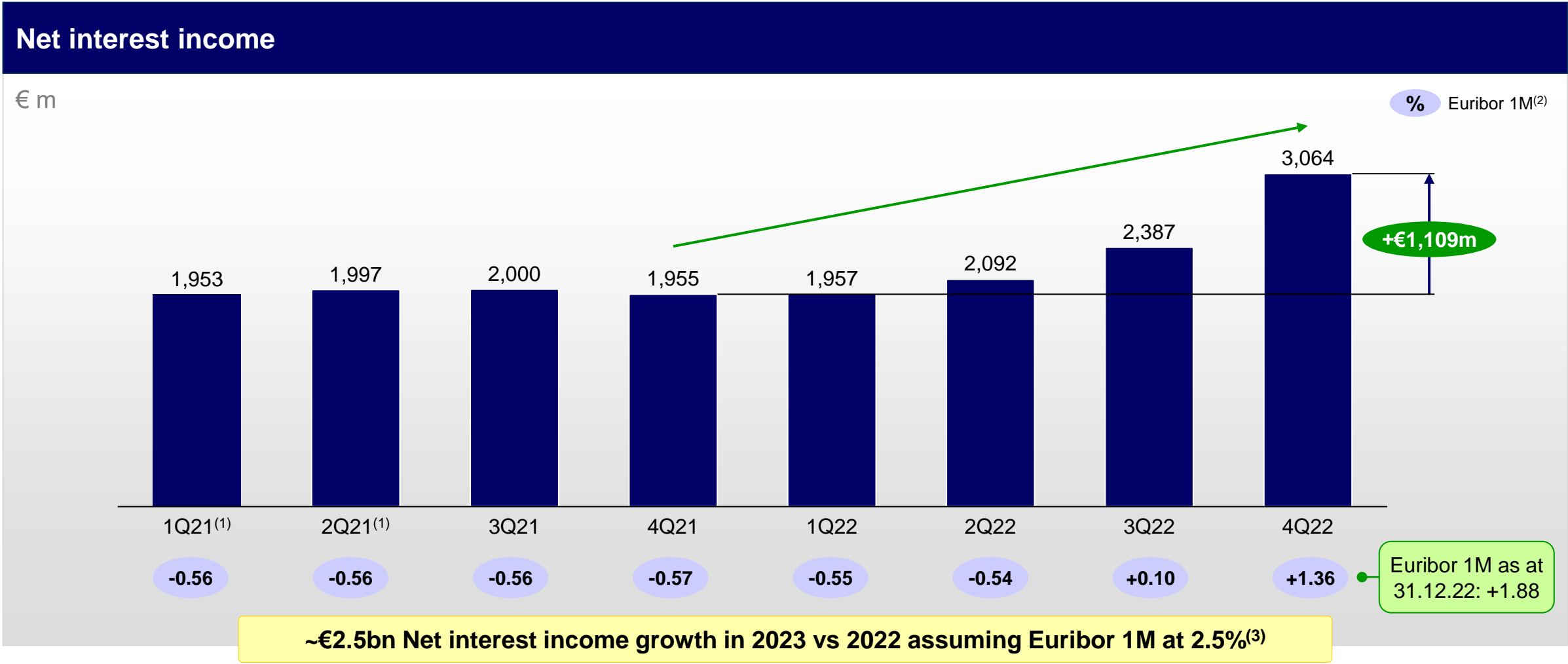


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Net interest income increasing momentum with strong acceleration in Q4...



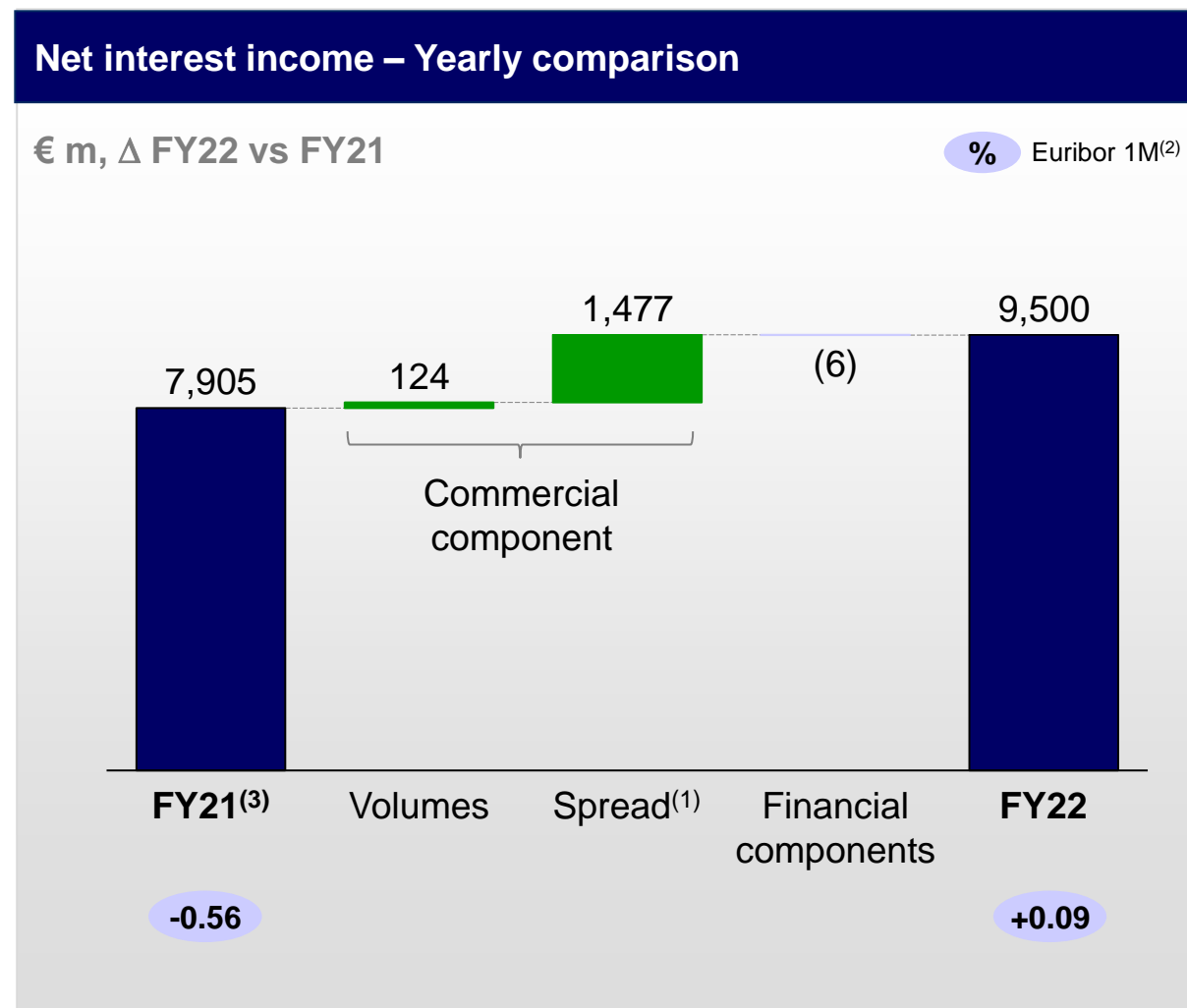
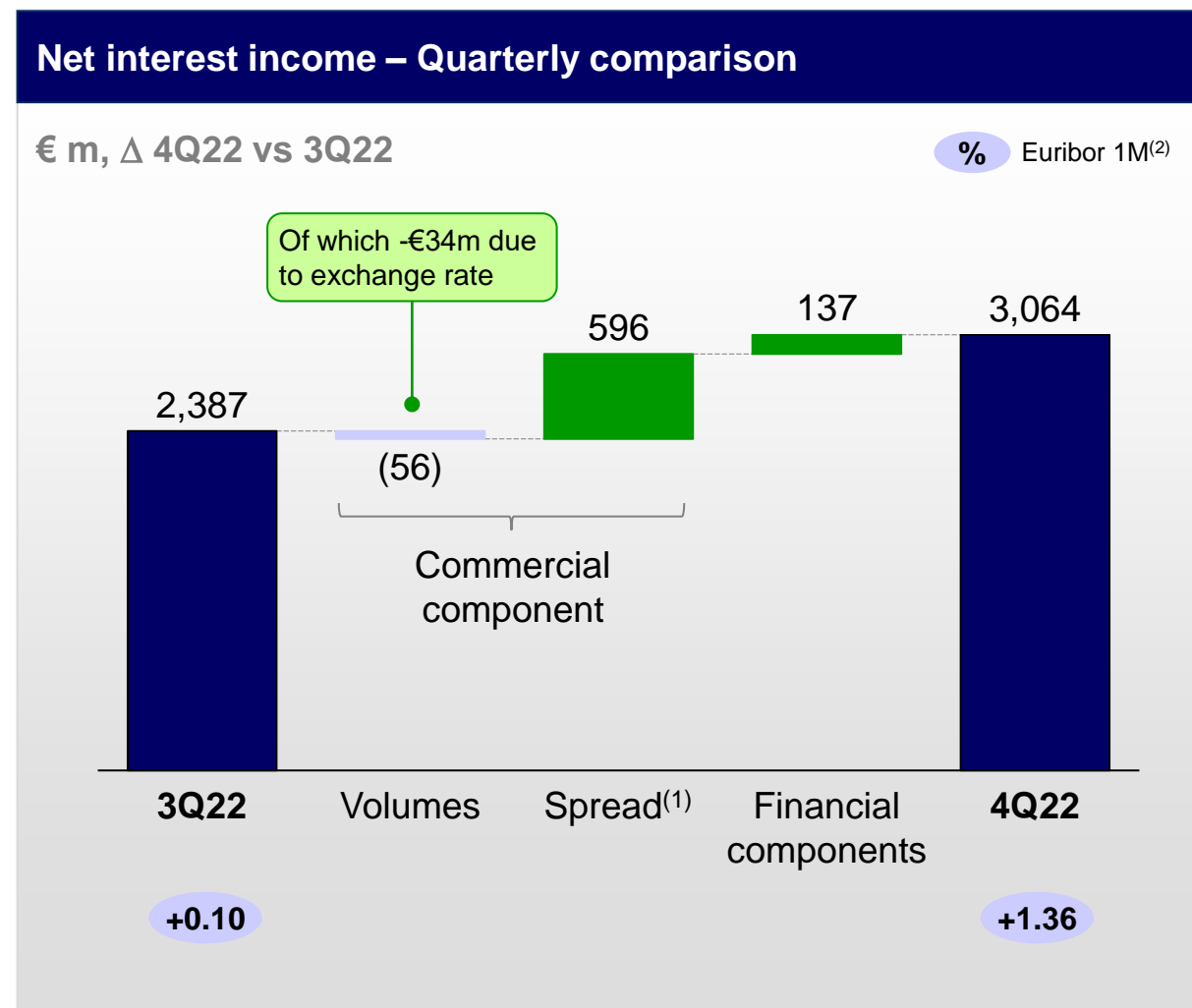
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(2) Quarterly average

(3) Yearly average

... thanks to the commercial component that will continue to fuel Net interest income growth



Note: figures may not add up exactly due to rounding. 2021, 1Q22 and 2Q22 data restated to reflect the consolidation of Compagnie de Banque Privée Quilvest (Fideuram Group) since July 2022 and the sale of Intesa Sanpaolo Formazione at end-June 2022

(1) Including hedging on core deposits

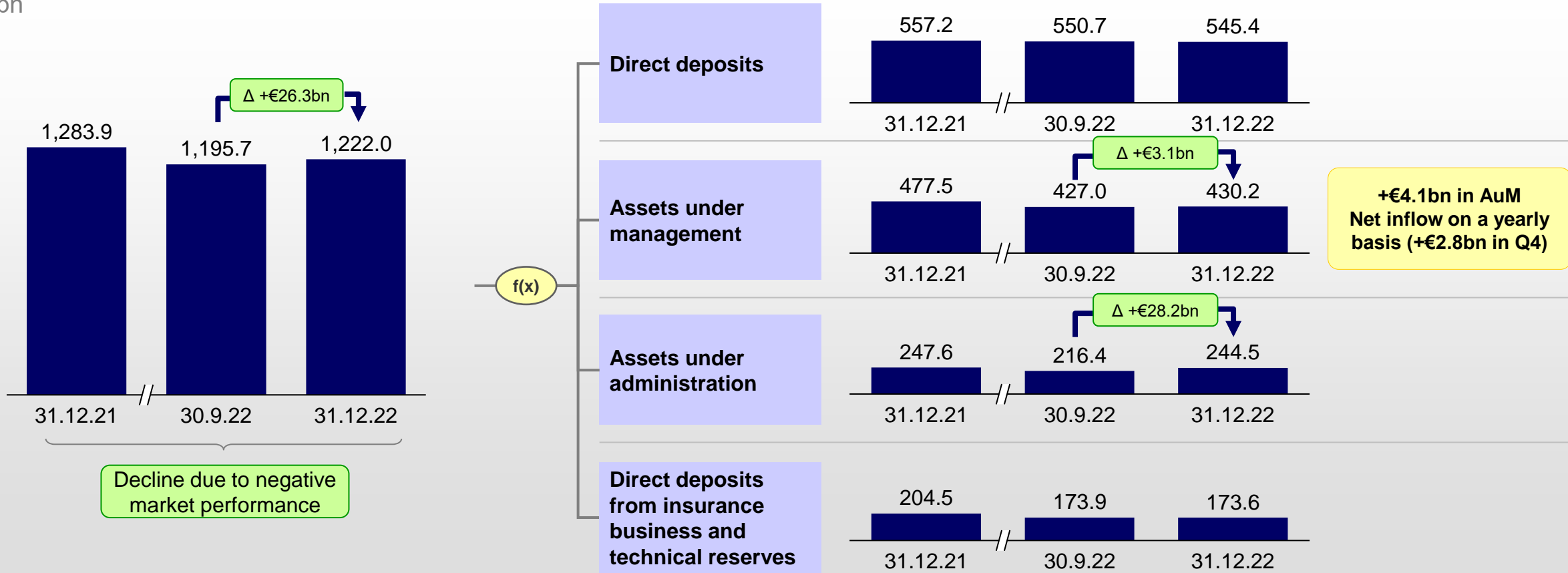
(2) Full-year/quarterly average

(3) Data redetermined considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

More than €1.2 trillion in Customer financial assets to fuel Wealth Management engine and drive Net interest income growth, with a €26bn increase in Q4

Customer financial assets⁽¹⁾

€ bn



A Wealth Management, Protection & Advisory leader, with 2022 as the best-ever year for Insurance income with growing P&C contribution

Note: figures may not add up exactly due to rounding. 2021, 1Q22 and 2Q22 data restated to reflect the consolidation of Compagnie de Banque Privée Quilvest (Fideuram Group) since July 2022

(1) Net of duplications between Direct Deposits and Indirect Customer Deposits

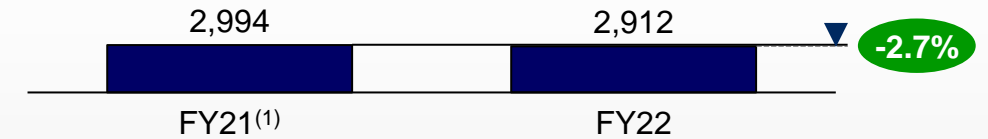
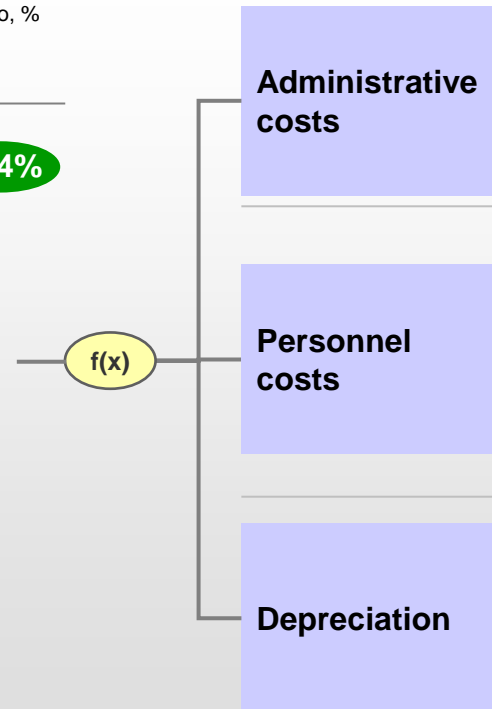
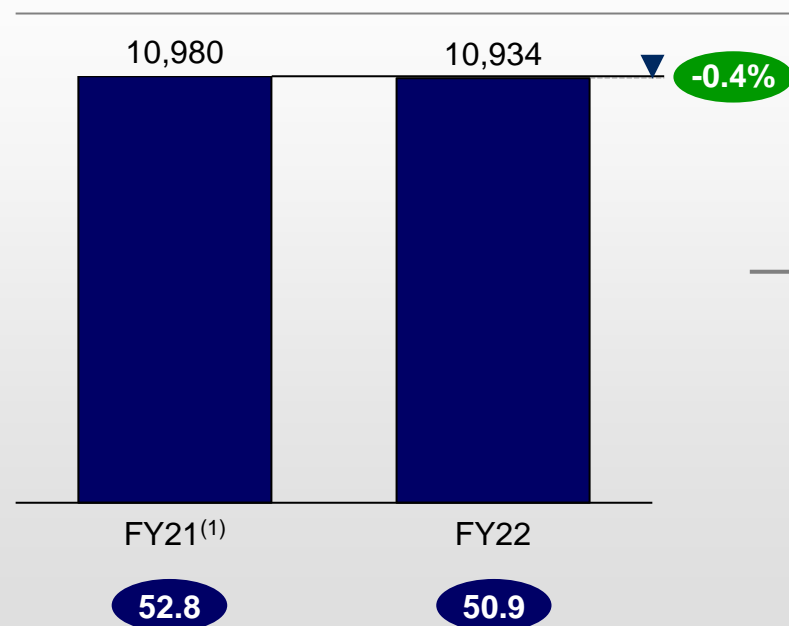
Continued reduction in Operating costs and improvement in Cost/Income ratio despite inflation, while investing in technology and growth

Operating costs

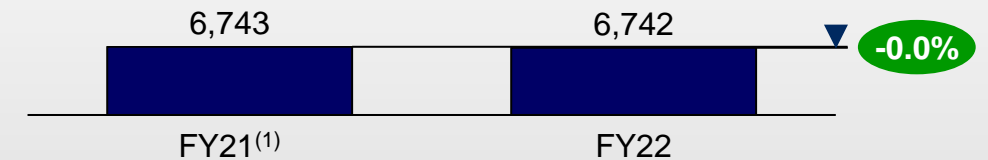
€ m

x Cost/Income ratio, %

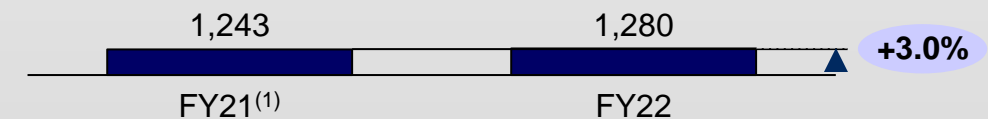
Total Operating costs



Including €36m in charges for a one-off contribution to ISP People to mitigate the impact from inflation, in addition to the €41m included in Other charges/gains



Investing for growth (technology: +7.3%), while rationalising real estate and other (-4.8%)



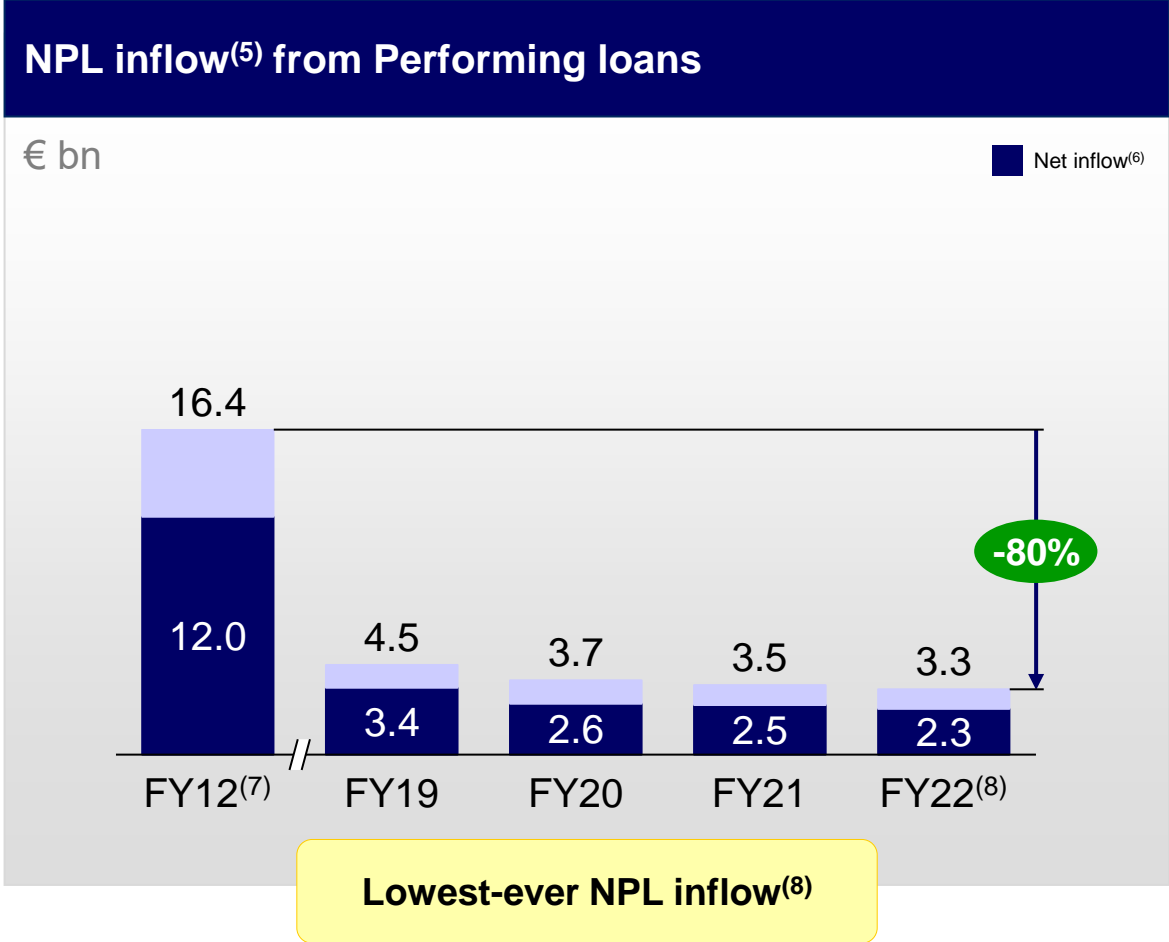
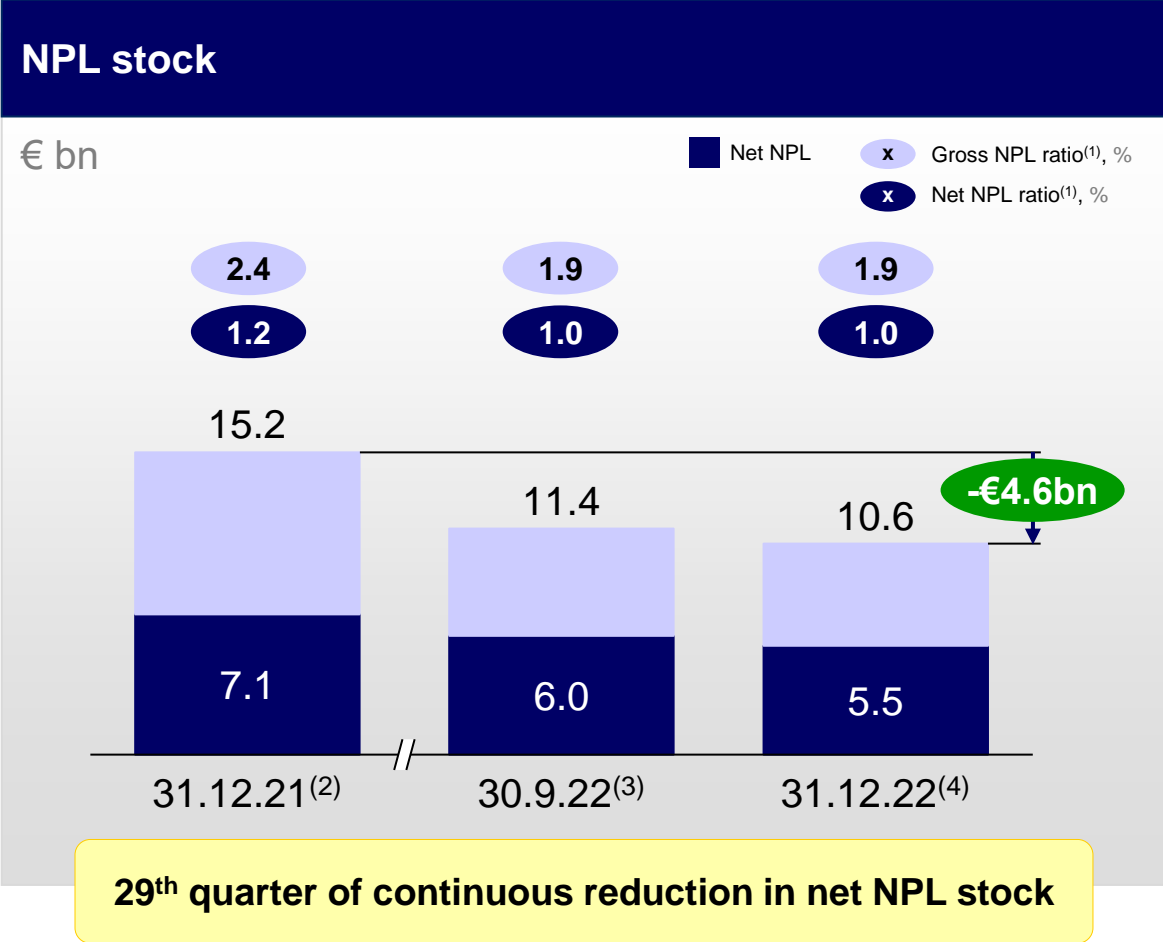
- Cost/Income ratio down 1.9pp to 50.9% vs 58.3% European peer average⁽²⁾
- ~2,100 headcount reduction in 2022 with further ~4,350 voluntary exits by 1Q25 (of which ~1,150 as of 1.1.23), already agreed with Labour Unions and fully provisioned
- ~1,300 hires in 2021-2022, with an additional ~3,300 hires by 2025

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(2) Sample: BBVA, Deutsche Bank, ING Group, Nordea, Santander, UBS and UniCredit (31.12.22 data); Barclays, BNP Paribas, Commerzbank, Crédit Agricole S.A., Credit Suisse, HSBC, Lloyds Banking Group, Société Générale and Standard Chartered (30.9.22 data)

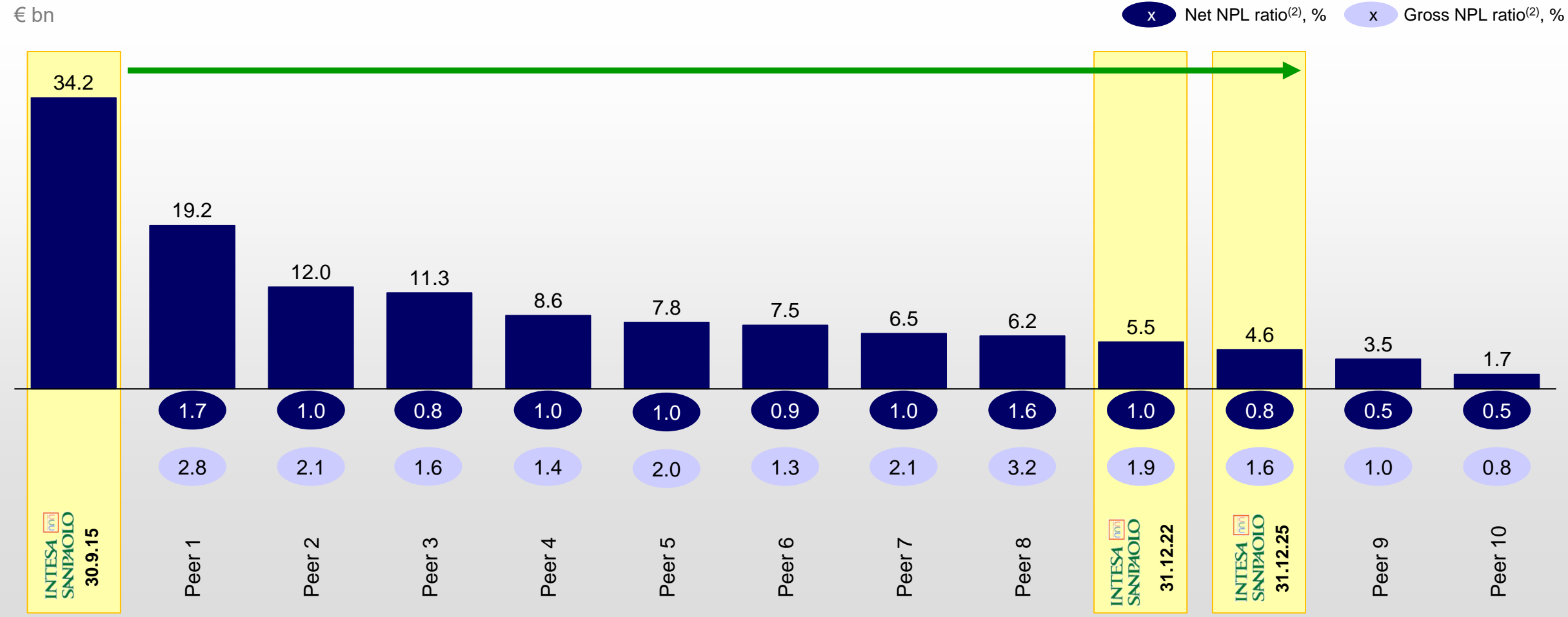
Zero-NPL Bank status with NPL inflow at historical low...



(1) According to EBA definition
 (2) Excluding €4.5bn gross NPL (€1.2bn net) booked in Discontinued operations
 (3) Excluding €3.8bn gross NPL (€0.9bn net) booked in Discontinued operations
 (4) Excluding €0.7bn gross NPL (€0.4bn net) booked in Discontinued operations
 (5) Inflow to NPL (Bad loans, Unlikely to pay and Past due) from Performing loans
 (6) Inflow to NPL (Bad loans, Unlikely to pay and Past due) from Performing loans minus outflow from NPL into Performing loans
 (7) 2012 figures recalculated to take into consideration the regulatory changes to Past due classification criteria introduced by the Bank of Italy (90 days since 2012 vs 180 days up until 31.12.11)
 (8) Excluding Russia-Ukraine exposure (€0.5bn gross/net inflow)

... positioning ISP among the best banks in Europe for NPL stock and ratios...

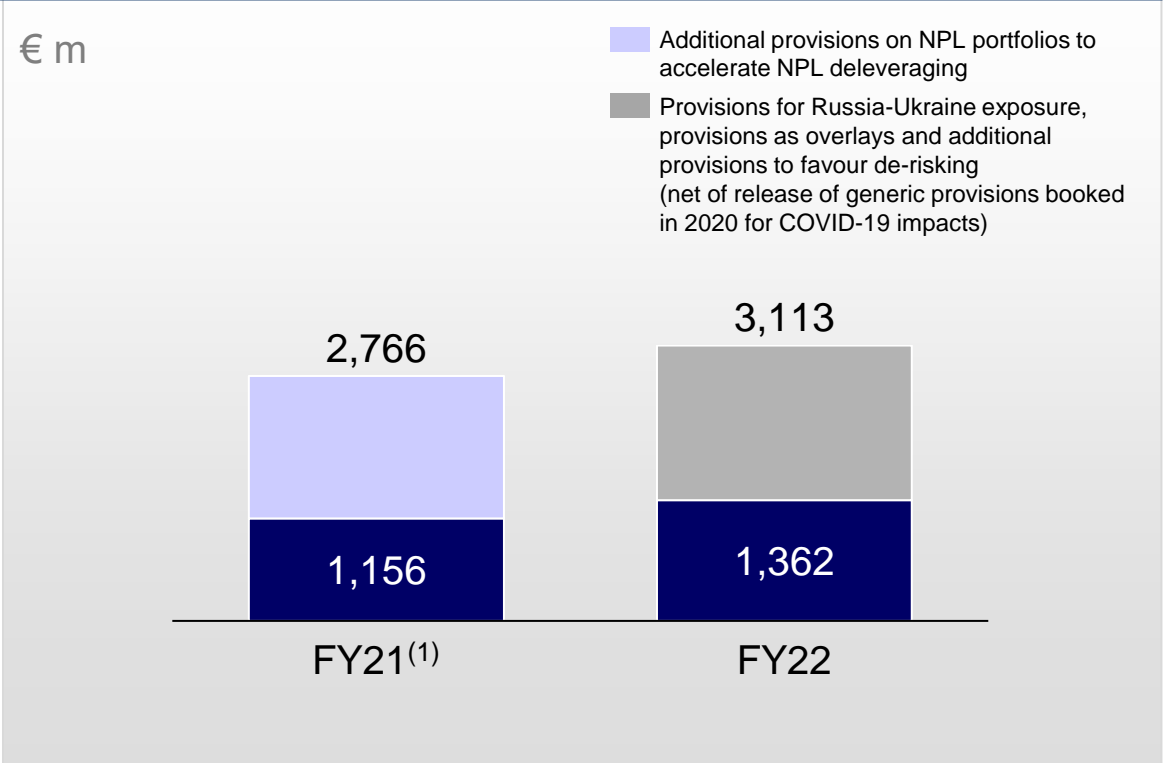
Net NPL stock for the main European banks⁽¹⁾



(1) Including only banks in the EBA Transparency Exercise. Sample: BBVA, Deutsche Bank, ING Group, Nordea, Santander and UniCredit as at 31.12.22; Commerzbank, Crédit Agricole Group and Société Générale as at 30.9.22; BNP Paribas as at 30.6.22
 (2) According to EBA definition. Data as at 30.6.22

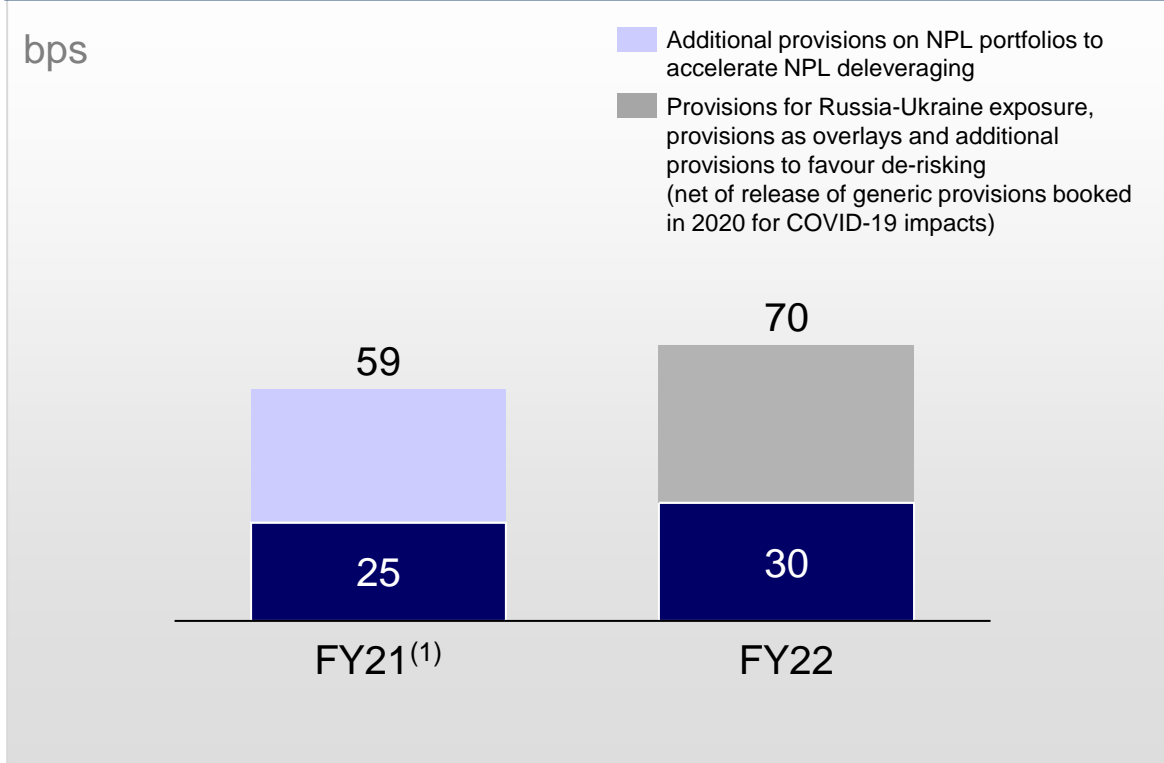
... and driving low underlying Cost of risk...

Loan loss provisions (LLP)



- €1.2bn provisions as overlays and to favour de-risking (€1.0bn in Q4)
- €0.9bn as overlays still available (up €0.5bn in Q4)

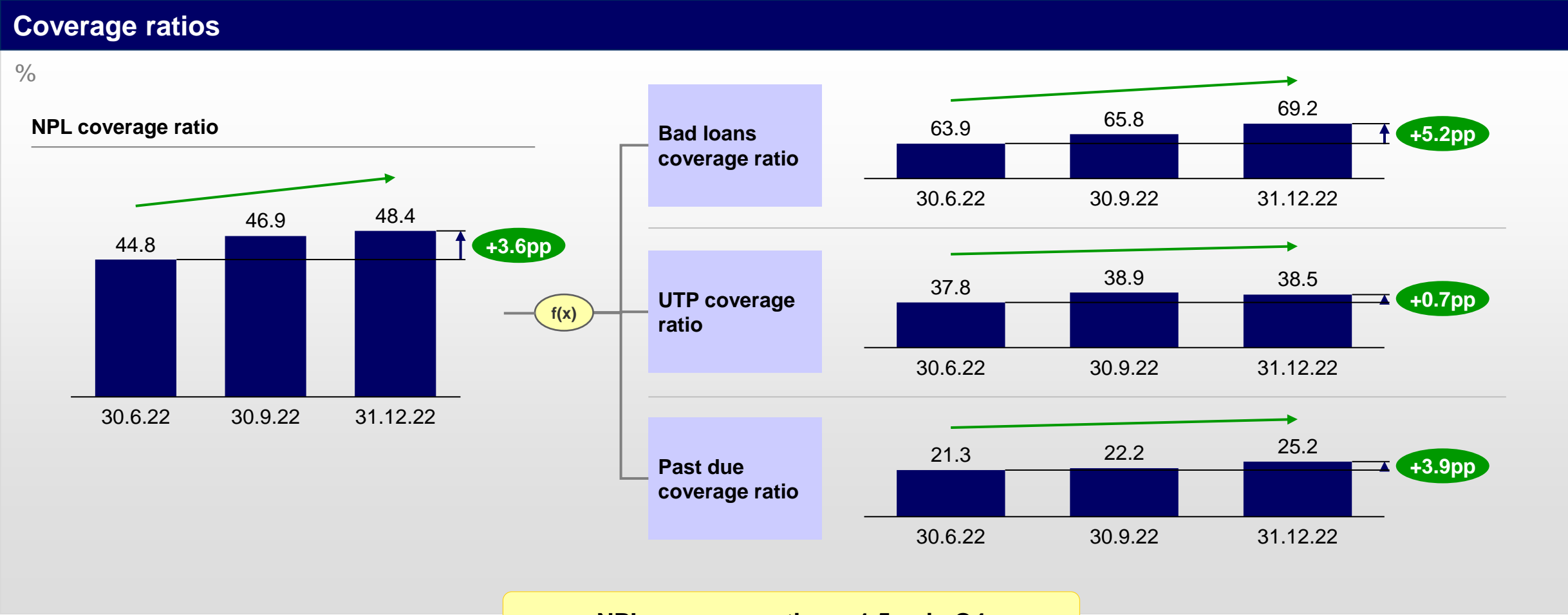
Cost of risk



- Low underlying Cost of risk in line with Zero-NPL Bank status
- Moratoria expired (only €0.1bn still outstanding)

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... with NPL coverage up further in Q4 to favour de-risking

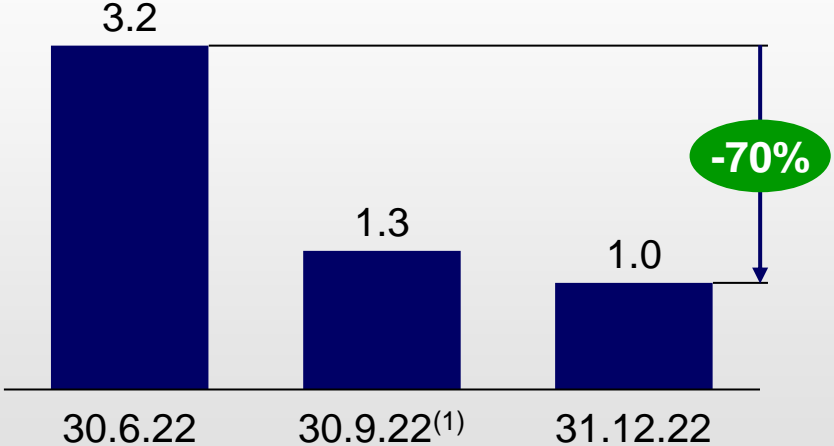


Note: figures may not add up exactly due to rounding

Russia exposure reduced by 68%, below 0.3% of Group customer loans

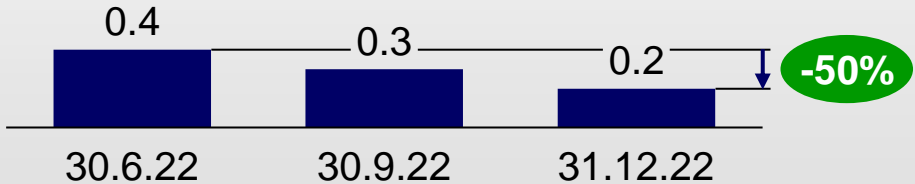
Cross-border exposure to Russia

Loans to customers net of ECA guarantees and provisions, € bn



Local presence in Russia

Loans to customers net of provisions – Banca Intesa, € bn

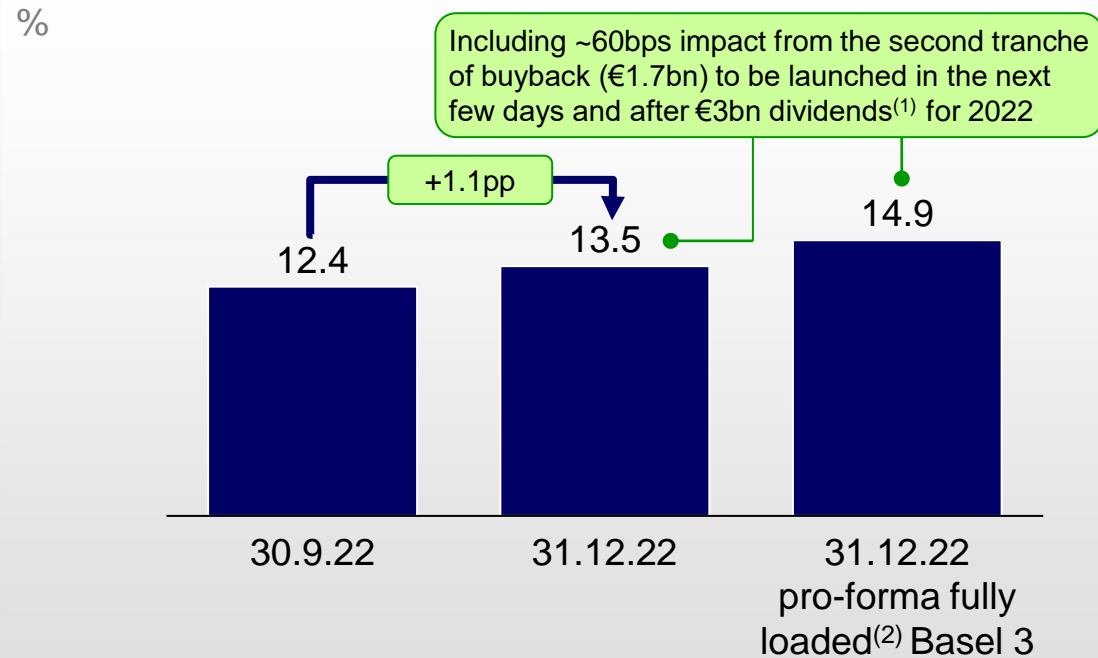


- **No new financing/investment since the beginning of the conflict**
- **Over two-thirds of cross-border exposure to Russia refers to top-notch industrial groups with:**
 - Long-established commercial relationships with customers part of major international value chains
 - Significant portion of client income deriving from commodity exports
- **Historically limited local lending to Russian clients has been halved, with a small footprint in Russia (27 branches)**

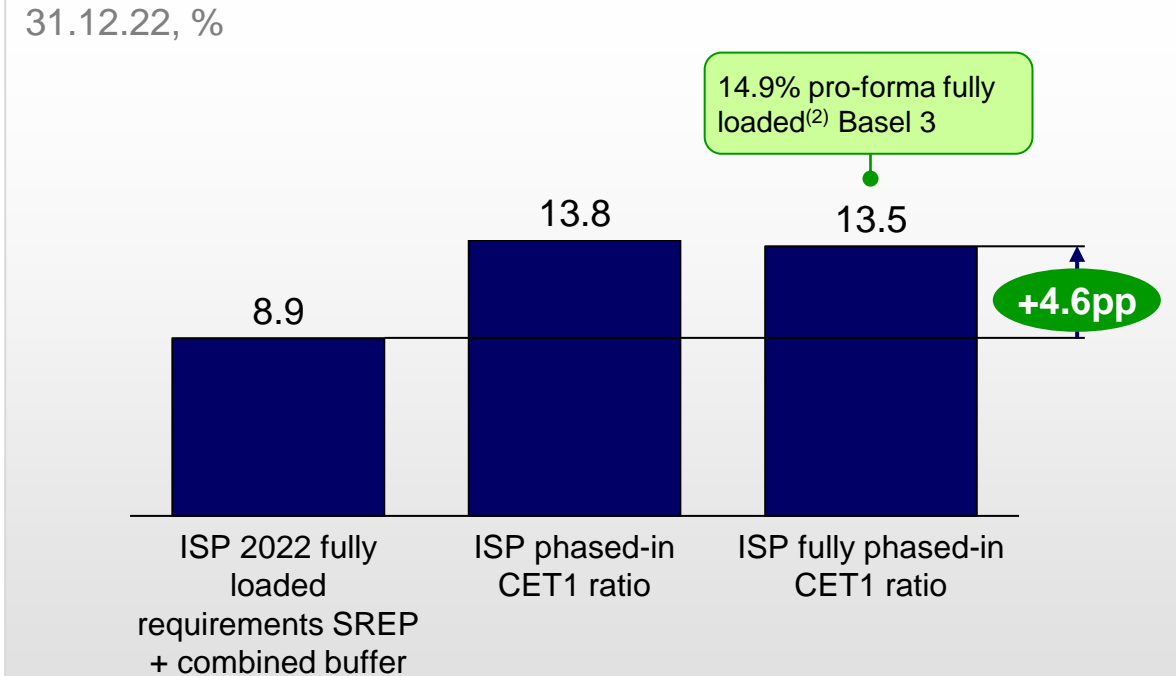
Note: figures may not add up exactly due to rounding
 (1) Not considering the €0.4bn sale finalised at the beginning of October (€0.3bn net)

Rock-solid and strongly-increased capital base (up 110bps in Q4), well above regulatory requirements

ISP fully phased-in CET1 ratio



ISP CET1 ratios vs requirements SREP + combined buffer



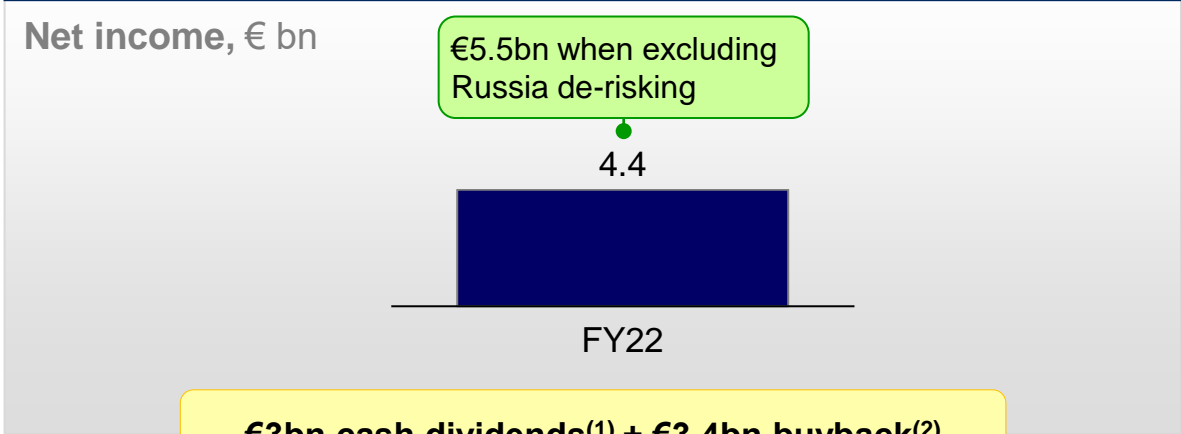
- ~125bps additional benefit from DTA absorption (of which >30bps in the 2023-2025 horizon) not included in the fully phased-in CET1 ratio
- Fully phased-in CET1 ratio expected to be close to 13% at the end of 2023, >13% in 2024 and >13.5% in 2025 (>13% post Basel 4, ~14% including DTA absorption), taking into account a 70% cash payout ratio and not considering any additional distribution to be evaluated year-by-year
- Fully phased-in CET1 ratio target >12% (Basel 3/Basel 4) throughout 2022-2025 Business Plan horizon confirmed

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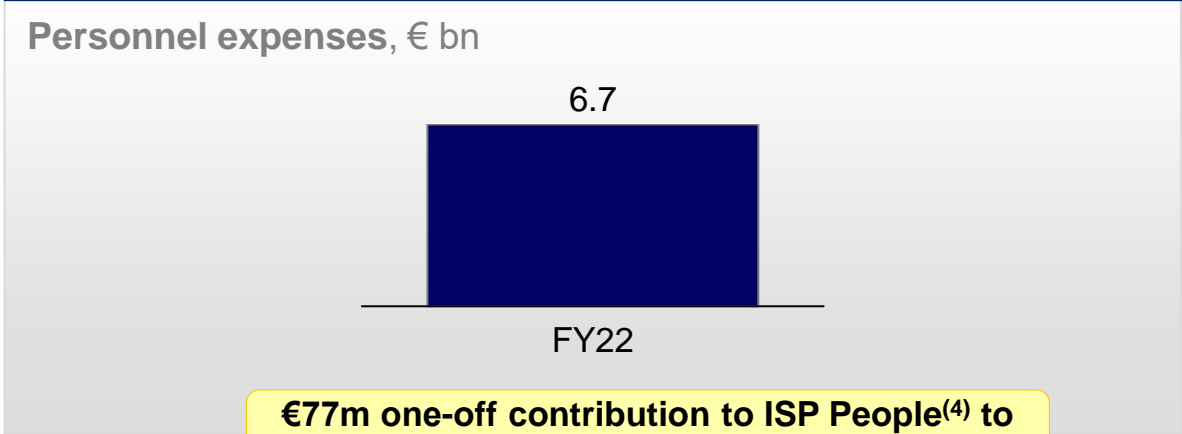
All stakeholders benefit from our solid performance

Shareholders



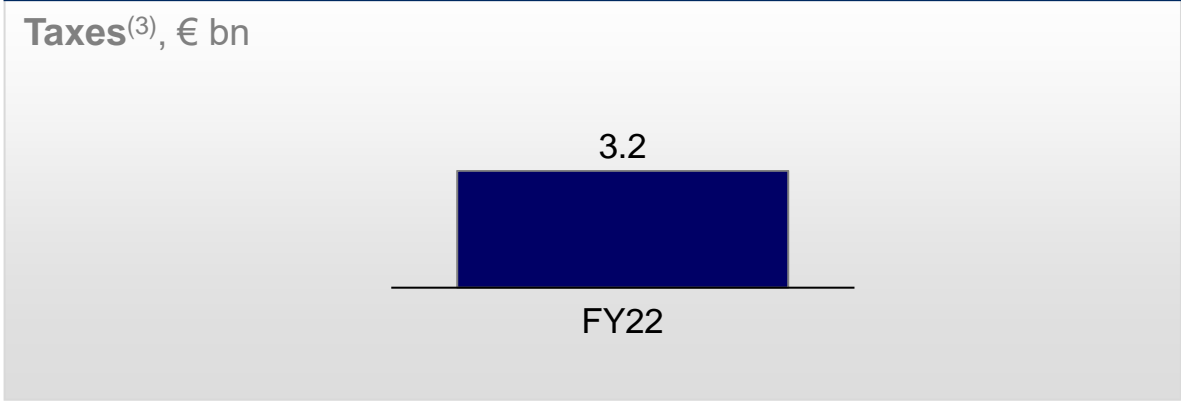
€3bn cash dividends⁽¹⁾ + €3.4bn buyback⁽²⁾

Employees

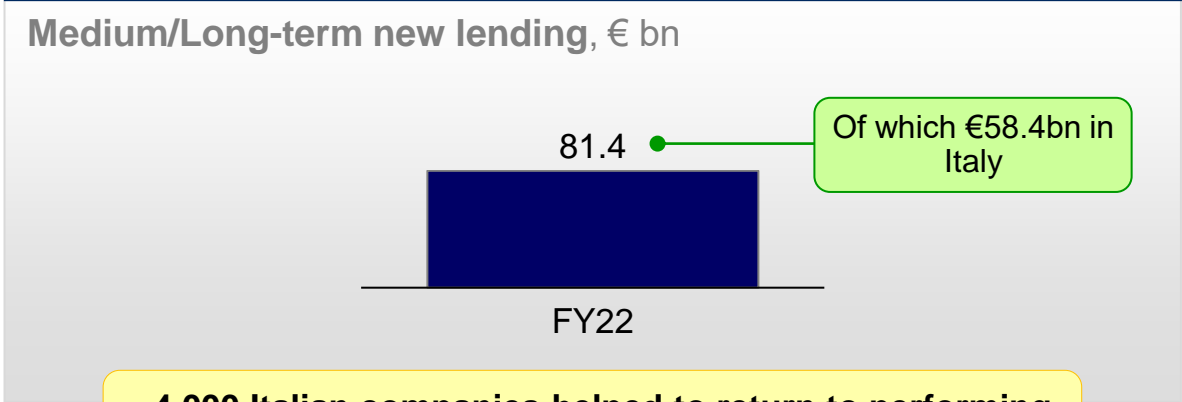


€77m one-off contribution to ISP People⁽⁴⁾ to mitigate the impact from inflation

Public sector



Households and businesses



~4,000 Italian companies helped to return to performing status⁽⁵⁾ in 2022 (>137,000 since 2014)

(1) Including €1.4bn paid as an interim dividend on 23.11.22
 (2) Including second tranche of buyback (€1.7bn) to be launched in the next few days
 (3) Direct and indirect
 (4) Of which €48m booked in Q2 in Other income (expenses)
 (5) Deriving from Non-performing loans outflow

FY22: high-quality earnings

2022-2025 Business Plan proceeding at full speed


ISP is fully equipped for further success

2022-2025 Business Plan proceeding at full speed

Our People are our most important asset



Massive upfront de-risking, slashing Cost of risk



Structural Cost reduction, enabled by technology




Growth in Commissions, driven by Wealth Management, Protection & Advisory




Significant ESG commitment, with a world-class position in Social Impact and strong focus on climate


Massive NPL stock reduction and continuous preemption through a modular strategy




A new credit decisioning model




Proactive management of other risks




A new Digital Bank and footprint optimisation




Workforce renewal




Smart real estate management



Advanced Analytics-empowered Cost management



IT efficiency



Dedicated service model for Exclusive clients



Strengthened leadership in Private Banking



Continuous focus on fully-owned product factories (Asset management and Insurance)




Further growth in payments business




Double-down on Advisory for all Corporate clients




Growth across International Subsidiary Banks businesses




Unparalleled support to address social needs




Strong focus on financial inclusion




Continuous commitment to culture




Promoting innovation



Accelerating on commitment to Net-Zero



Supporting clients through the ESG/climate transition



100% of initiatives launched, of which ~70% progressing ahead of schedule

Massive upfront de-risking, slashing Cost of risk

Key highlights

Massive upfront de-risking, slashing Cost of risk



- Massive deleveraging with €4.6bn gross NPL stock reduction in 2022, reducing Net NPL ratio to 1%⁽¹⁾ and anticipating Business Plan target
- Focus on modular approach and sectorial forward looking – factoring in the macroeconomic scenario – and on proactive credit management
- Focus on dedicated Banca dei Territori Division action plan, with strong management of underlying Cost of risk, NPL inflows from Performing loans and new solutions for new needs arising in the current scenario
- Enhanced risk management capabilities: comprehensive and robust Risk Appetite Framework encompasses all the key risk dimensions of the Group
- Credit assessment capabilities further strengthened with the introduction of a Sectorial Framework which assesses the forward-looking profile of each economic sector on a quarterly basis across different countries. The sectorial view, approved by a specific management committee, feeds all the credit processes in order to prioritise credit decisions and action plans
- Cybersecurity anti-fraud protection extended to new products and services for retail customers, including the use of Artificial Intelligence; adoption of Open Source Intelligence solutions to empower Cyber Threat Intelligence capability
- Enhanced protection of both the remote access to company applications and the access to corporate workstations enabling multi-factor authentication, and at the same time improving user experiences through frictionless processes
- Enhanced protection from cyber-attacks, in terms of detection and recovery
- Set up of the Anti Financial Crime (AFC) Digital Hub, aimed at becoming a national and international centre open to other financial institutions and intermediaries in the system, with the goal of combating money laundering and terrorism through new technologies and Artificial Intelligence, based on a public-private collaboration model which enables the introduction of innovation (applied research) in business processes
- Set up of the new AFC model based on an international platform and competence centres specialised in Transaction Monitoring and Know Your Customers
- The Active Credit Portfolio Steering (ACPS) unit has further expanded the credit risk hedging schemes, completing in 4Q22 a new synthetic securitisation on a ~€7.5bn portfolio of loans to corporates, one of the largest transactions carried out in Europe during 2022, as well as the first synthetic securitisation transaction on a ~€2.3bn portfolio of corporate loans and project finance with the highest ESG score in the infrastructure sector. In 4Q22, the unit also finalised the sale of a ~€3.7bn portfolio of leasing receivables. During 2022, the unit carried out credit risk transfer transactions for a total of over €20bn on different asset classes
- The ACPS unit has further strengthened the capital efficiency initiatives and the credit strategy, shifting €20bn of new lending in 2022 to economic sectors with the best risk/return profile and broadening the perimeter of alternative financing solutions for "high risk" clients
- Scale up of the Originate-to-share business model, increasing the distribution capabilities to optimise the return on capital

(1) According to EBA definition

Structural Cost reduction, enabled by technology

Key highlights

Structural Cost reduction, enabled by technology



- New Digital Bank (Isybank ) setup well underway: Delivery Unit “Domain Isy Tech” already operational with ~340 dedicated specialists, contract with Thought Machine finalised and technological masterplan defined
- New head of Isybank , new head of Domain Isy Tech and new head of Sales & Marketing Digital Retail hired and operational
- Defined the Isybank  offering structure and functionalities
- Insourcing of core capabilities in IT ongoing with ~500 people already hired
- AI Lab in Turin already operating (setup of Centai Institute)
- More than 550 branches closed in 4Q21/2022 in light of Isybank  launch
- Digital platform for analytical cost management up and running, with 27 efficiency initiatives already identified
- Implemented the tools to support the negotiation and scouting activities of potential suppliers
- Rationalisation of real estate in Italy in progress, with a reduction of ~354k sqm in 4Q21/2022
- ~2,000 voluntary exits in 2022⁽¹⁾
- Implementation of digital functions and services in Serbia and Hungary completed. Implementation in Romania and Slovakia ongoing
- Go-live of the new core banking system in Egypt and alignment of digital channels
- Ongoing activities to progressively release applications for the target platform in the remaining countries of the International Subsidiary Banks Division
- Digital Process Transformation: processes identified and activated E2E transformation activities, leveraging both on Process Intelligent Automation (e.g. with Artificial Intelligence and/or Robotic Process Automation) and traditional reengineering methods (especially involving procurement processes, customer onboarding, hereditary succession process management, bank account closing process and control management processes)

The Intesa Sanpaolo Mobile app was recognised by Forrester as the “Global Mobile Banking Apps Leader” ranking first worldwide among all banking apps evaluated

(1) Referring to the agreements already signed with Labour Unions

Growth in Commissions, driven by Wealth Management, Protection & Advisory (1/2)

Key highlights

Growth in Commissions, driven by Wealth Management, Protection & Advisory



- New dedicated service model for Exclusive clients fully implemented
- Enhancement of the product offering (new AM/Insurance products) and further growth of the advanced advisory service “Valore Insieme” for Affluent and Exclusive clients: 43,000 new contracts and €14.5bn in Customer financial asset inflows in 2022
- Introduction of new functionalities of Robo4Advisor by BlackRock to generate investment advice on selected products (funds, insurance products and certificates) to support relationship managers
- Adoption of the BlackRock Aladdin Wealth and Aladdin Risk platforms for investment services: Aladdin Wealth module for BdT and Fideuram (first and second release), Aladdin Risk and Aladdin Enterprise module for FAM/FAMI⁽¹⁾ and ECSA/ESLJ⁽²⁾
- New features for UHNWI⁽³⁾ client advisory tools, strengthening of service model for family offices and planned the integration of ESG principles in the new single advanced advisory model
- Completed the second closing of the alternative fund Art.8 Fideuram Alternative Investments Sustainable Private Markets and ongoing enrichment of the alternative funds offering from leading international players through partnerships with specialised platforms
- Released new features of Fideuram’s online investment and trading platform enabling clients to independently open accounts and subscribe to asset management products and launch of the new Fideuram Direct brand and logo to strengthen the multi-channel offering. Launched the first offer of in-self products and the Remote Advisory Project. Alpiant – the first Swiss private digital Bank – is fully operational as a mobile-only platform providing multi-currency, wealth management and financial advisory services with experienced consultants
- Completed on 1.1.23 the merger of the two Private Banks in Luxembourg, creating “Intesa Sanpaolo Wealth Management”, a second Hub (in addition to the Swiss Hub), with over 200 people and €11bn in assets that will contribute to the growth of commission income abroad
- Enriched Eurizon offering dedicated to Intesa Sanpaolo Private Banking and launched multiple new asset management and insurance products (e.g. dedicated offer for clients with excess liquidity, capital protection, inflation-linked funds)
- Continued enhancement of ESG product offering for asset management and insurance, with a ~54%⁽⁴⁾ penetration on total AUM
- Launched the new IMI C&IB organisational set-up, with a focus on strengthening client advisory activities and Originate-to-Share business
- Launched digital platform "IncentNow" for enterprises to provide information to Italian companies and institutions on the opportunities offered by public tenders related to the “*Piano Nazionale di Ripresa e Resilienza*”⁽⁵⁾

(1) Fideuram Asset Management/Fideuram Asset Management Ireland

(2) Eurizon Capital SA/Eurizon SLJ Capital

(3) Ultra High Net Worth Individuals

(4) Eurizon perimeter – funds pursuant to art. 8 and 9 SFDR 2019/2088

(5) National Recovery and Resilience Plan

Growth in Commissions, driven by Wealth Management, Protection & Advisory (2/2)

Key highlights

Growth in Commissions, driven by Wealth Management, Protection & Advisory



- Launched webinars and workshops with clients aimed at educating and sharing views on key topics (e.g. digital transition)
- Developed commercial initiatives to support clients in different sectors (e.g. Energy, TMT, Infrastructure) to optimise the incorporation of European and Italian post-pandemic recovery plans
- Go live of Cardea, an innovative and digital platform for financial institutions
- Strengthening the corporate digital platform (Inbiz) in the EU with focus on Cash & Trade, leveraging the partnership approach with Fintechs
- Ongoing upgrade of Global Markets IT platforms (e.g. Equity)
- Ongoing strengthening of origination activities, both in Italy and abroad, also through the enhancement of the Originate-to-Share model
- Launched an ESG value proposition initiative for the corporate and SME segments of Group banks in Slovakia, Hungary, Croatia, Serbia and Egypt
- Ongoing development of synergies - in Global Market, Structured Finance and Investment Banking - between IMI C&IB and Group banks in Slovakia, Czech Republic, Hungary and Croatia with a significant increase in business and pipeline since the start of the Business Plan
- Accelerated ESG advisory to corporates to steer the energy transition through a scalable approach, with a focus on energy, infrastructure and the automotive & industrial sectors
- Finalised the Master Cooperation Agreement with a leading insurance group to distribute bancassurance products in Slovakia, Croatia, Hungary, Serbia and Slovenia. Concluded the Local Distribution Agreement in Slovakia, Serbia, Slovenia and Croatia
- Launched “Confirming” factoring product in five additional markets: Slovakia, Serbia, Romania, Slovenia and Albania
- Further development in the protection and health insurance business through the establishment of "InSalute Servizi," a new third-party administrator in partnership with Reale Group, for the specialised management of health and welfare benefits, with a push towards digital services



Significant ESG commitment, with a world-class position in Social Impact and strong focus on climate (1/4)

Unparalleled support to address social needs



- **Expanding food and shelter program for people in need** to counter poverty by providing concrete aid throughout the Italian territory and abroad supporting the humanitarian emergency in Ukraine. In 2022, **more than 21.3 million interventions** carried out, providing ~15.9 million meals, over 2.2 million dormitory spaces, ~3 million medicine prescriptions and 264,000 articles of clothing
- **Employability and inclusive education:**
 - “**Giovani e Lavoro**” program aimed at **training and introducing more than 3,000 young people to the Italian labour market** in the 2022-2025 Business Plan horizon. Over 7,500 students (aged 18-29) applied for the program in 2022: more than 1,650 interviewed and more than 770 trained/in-training through 30 courses (~3,000 trained/in-training since 2019). About 2,300 companies involved since its inception in 2019. The second edition of the “**Generation4Universities**” program started in May and ended in December, involving ~100 students from 36 universities and 31 top-tier Italian corporations as potential employers
 - **Inclusive education program: strengthened partnerships with main Italian universities and schools** (more than 1,000 schools and about 4,200 students in 2022) to promote educational inclusion, supporting merit and social mobility. In 2022, the **School4Life** project was launched to **combat early school abandonment**, with companies and schools working together with students, teachers and families. Among the projects for the enhancement of talent and merit, the **Tesi in Azienda** initiative aims at **orienting students towards the most recent issues in the work environment** (~150 students in 2022)
 - The first and second editions of “**Digital Re-start**” - a Private Banking Division program aimed at training and placing in the labour market **unemployed people between the ages of 40 and 50** through the financing of 75 scholarships for the Master in **Data Analysis** - ended in 2022. It involved 50 participants, 29 of whom have been hired; the third edition is underway
- **Social housing:** setup of the initiative finalised in 2022 and to be followed by the launch of the implementation phase to achieve Business Plan targets (promoting the development of 6-8K units for social housing and student bed places)

Strong focus on financial inclusion



- Granted **€9.3bn in social lending and urban regeneration** (€25bn cumulative flows announced in the Business Plan)
 - **Lending to the third sector:** in 2022, granted loans supporting non-profit organisations for a total of **€339m**
 - **Fund for Impact:** in 2022, ~**€53m made available** to support the needs of people and families to ensure wider and more sustainable access to credit, with dedicated programs such as: **per Merito** (credit line without guarantees to be repaid in 30 years dedicated to university students, studying in Italy or abroad), **mamma@work** (loan to discourage new mothers from leaving work and supporting motherhood in the first years of life of the children), **per Crescere** (funds for the training and education of school-age children dedicated to fragile families), **per avere Cura** (lending to support families taking care of non self-sufficient people) and other solutions (e.g. **Obiettivo Pensione, per Eempio, XME Studio Station**)
 - **Lending for Urban Regeneration:** in 2022, committed ~**€616m in new loans** to support investments in **student housing, services and sustainable infrastructure**, in addition to the most important urban regeneration initiatives underway in Italy. Promotion of academic initiatives to define ESG evaluation methodologies for the impact of urban regeneration



Significant ESG commitment, with a world-class position in Social Impact and strong focus on climate (2/4)

Continuous commitment to culture



- *Gallerie d'Italia*:
 - Opened **two new museums** in 2022 thanks to two major transformations of historical buildings owned by the Bank in Turin and Naples, bringing the number of museum venues to four
 - **14 exhibitions**, including: in Milan, the Torlonia collection and the exhibition on patronage; in Naples, Restituzioni (over 200 works of art from the public heritage restored with the Ministry of Culture) and Artemisia (with The National Gallery, London); the photographic exhibitions in Turin by Paolo Pellegrin and Gregory Crewdson commissioned by the Bank on ESG topics of interest; in Vicenza, the tribute to the Magellan voyage and the inclusive itinerary Argilla dedicated to the proprietary collection of Greek vases
 - **~480,000 visitors** (free admission for under-18s); 1,550 workshops for schools (~33,000 students); 260 itineraries for fragile audiences (~3,680 participants), held free of charge; 815 tours for adults and 300 cultural initiatives (~30,000 people)
- **277 artworks** from the collections owned by the Bank on loan to 61 temporary exhibitions at national and international venues
- Projects for young people: **Gallerie d'Italia Academy**: 2nd edition of the Executive Course for young cultural heritage managers (30 students, 8 scholarships, 60 lecturers, 162 hours of lessons). Project with *Istituto Europeo di Design* (involving 21 students from the Photography Course). **Euploos Project** for the digitalisation of the drawings of the Uffizi Galleries in Florence (1,754 scientific data sheets, 3,250 images in 2022)
- Partnerships with national institutions and museums: Bergamo-Brescia Italian Capital of Culture 2023; projects with Banking Foundations; international trade fairs such as Miart in Milan, Artissima and *Salone del Libro* in Turin; collaboration with museums such as Castello di Rivoli, Palazzo Strozzi in Florence, Pinacoteca di Brera in Milan, and Museo Archeologico Nazionale in Naples

Promoting innovation (1/2)



- **Innovation projects: 201 innovation projects released in 2022 by Intesa Sanpaolo Innovation Center** (~800 innovation projects expected in the 2022-2025 Business Plan)
- **Initiatives for startup growth and the development of innovation ecosystems:**
 - **Turin**: launched the fourth class of “**Torino Cities of the Future Accelerator**” program managed by Techstars. Since 2019, 35 accelerated startups (11 Italian teams), >30 proofs of concept with local stakeholders, ~€51m in capital raised and over 310 new resources hired after acceleration
 - **Florence**: launched applications for the second class of the three-year “**Italian Lifestyle Accelerator Program**” managed by Nana Bianca; since launch in 2021, 6 Italian startups accelerated (>210 candidates, 85% Italian), ~€2m in capital raised
 - **Naples**: continued the three-year acceleration program on Bioeconomy “**Terra Next**” started in 2022, with Cassa Depositi e Prestiti, Cariplo Factory, local corporate and scientific partners and the patronage of “Ministry of Environment and Energy Security”. 8 accelerated startups (~130 candidates, 83% Italian)
 - **Venice**: launched in late December 2022 a new three-year program “**Argo**” (Hospitality and Tourism) sponsored by Banca dei Territori Division and Intesa Sanpaolo Innovation Center, developed by Cassa Depositi e Prestiti, LVenture and with the collaboration of Ministry of Tourism and aimed at 10 startups per year
 - **Up2Stars**: concluded the first edition of the initiative developed by the Banca dei Territori Division with the support of Intesa Sanpaolo Innovation Center, on 4 vertical pillars (Digital/Industry 4.0; Bioeconomy, focused on Agritech and Foodtech; Medtech/Healthcare; Aerospace). 40 accelerated startups (~490 candidates)
 - **In Action ESG Climate**, an initiative developed by the Insurance Division with the support of Intesa Sanpaolo Innovation Center, to promote the development of new solutions to combat climate change and support the green transition through technological innovation and development of new business models, concluded with a total €500k amount awarded to the best three projects presented
 - **2 startup acceleration programs for clients** ended in mid-October (>15 startups accelerated)



Significant ESG commitment, with a world-class position in Social Impact and strong focus on climate (3/4)


Promoting innovation (2/2)



- **Development of multi-disciplinary applied research projects:**
 - 14 projects in progress (8 in the neuroscience field and 6 in the A.I. and robotics field), of which 7 launched in 2022
 - Renewed a three-year collaboration with *Scuola IMT Alti Studi* of Lucca and NS Lab
- **Business transformation:** 25 corporates involved in open innovation programs. Support to *Compagnia di San Paolo* and *Cariplo Foundations* for their “*Bando Evoluzioni*” program related to digitalisation of the non-profit sector completed. In 2022 launched 4 projects focused on Circular Economy transformation. Realised a “Climate Innovation Tech Tour” in Tel Aviv to support clients and startups
- **Diffusion of innovation mindset/culture:** launched a new collection of podcasts on innovation topics (“*A prova di futuro*”) for the spread of innovation culture, freely available on the Intesa Sanpaolo website. 32 positioning and match making⁽¹⁾ events with ~2,200 participants and 15 innovation reports on technologies and trends released (five in 4Q22, among which a report on “Decarbonisation”)
- **Neva SGR** has successfully completed the **€250m** fundraising for its “Fondo Neva First” (launched in 2020) and “Fondo Neva First Italia” (launched in 2021); in 2022 investments in startups of **>€54m**, of which **~€10m** in Q4. Launched “Fondo Sviluppo Ecosistemi di Innovazione” aimed at supporting the development of innovation ecosystems: €15m raised in 2022

Accelerating commitment to Net-Zero



- Following the Group’s adherence to Net-Zero alliances (**NZBA, NZAMI and NZAOA**)⁽²⁾:
 - In February 2022, 2030 targets set for 4 high-emitting sectors (Oil & Gas, Power Generation, Automotive and Coal Mining – over 60% of financed emissions for NFC in NZBA sectors) published in the 2022-2025 Business Plan; In April 2022, ISP’s commitment to the SBTi validation was published on the SBTi website
 - In October 2022, Eurizon Capital SGR, Fideuram Asset Management SGR, Fideuram Asset Management Ireland and the Intesa Sanpaolo Vita Insurance Group published their first interim targets⁽³⁾
- Ongoing **active engagement** (among others):
 - Participation in **GFANZ**⁽⁴⁾, **NZBA, NZAOA, IIGCC**⁽⁵⁾ workgroups/workstreams, with contribution to relevant publications and dedicated case studies (inclusion of ISP targets in the first NZBA 2022 Progress Report, case studies on ISP target setting and Transition finance, etc.)
 - In June 2022, ISP became an **investor signatory of CDP** 
 - In October 2022, Eurizon joined the **CDP Science-Based Targets Campaign**, promoting the environmental transparency of companies
- The Group’s **Guidelines** for the governance of ESG risks were revised in April 2022 in line with regulatory developments and climate and environmental initiatives underway
- In November 2022, ISP was the only Italian Bank to participate at the COP27 in Sharm El Sheik
- Designed new group proposition in the voluntary carbon market, aimed at supporting clients in reducing gross CO₂ emissions, managing residual emissions and protecting and safeguarding forestland

(1) Positioning event: event in which a leading player illustrates innovation topics; match-making event: event which fosters a match between supply and demand of innovation

(2) In 4Q21 adhesion to Net-Zero Banking Alliance, Net-Zero Asset Managers Initiative, Net-Zero Asset Owner Alliance and Net-Zero Insurance Alliance

(3) Please refer to https://group.intesasnapaolo.com/content/dam/portalgroup/repository-documenti/sostenibilit%C3%A0/comunicati-stampa/2022/PR_Obiettivi%20Net_Zero_wealth_management_Gruppo_ISP.pdf

(4) Glasgow Financial Alliance for Net-Zero

(5) Institutional Investors’ Group on Climate Change



Significant ESG commitment, with a world-class position in Social Impact and strong focus on climate (4/4)

Supporting clients through the ESG/climate transition



- **~€32bn disbursed** in 2021 and 2022 out of the €76bn in new lending available for the **green economy, circular economy and green transition** in relation to the "2021-2026 Piano Nazionale di Ripresa e Resilienza"⁽¹⁾
- **~€2.6bn of Green Mortgages** in 2022 out of the **€12bn** of new **Green lending to individuals** throughout the 2022-2025 Business Plan
- **€8bn circular economy credit facility** announced in the 2022-2025 Business Plan; in 2022, 420 projects assessed and validated for an amount of €9.1bn; granted €4.7bn in 230 transactions (of which €2.6bn related to green finance) and €3.1bn disbursed (of which €2.2bn related to green finance); renewed partnership with Ellen MacArthur Foundation and with Cariplo Factory on Circular Economy Lab
- Activated the **first 8 ESG Laboratories** (in Venice, Padua, Brescia, Bergamo, Cuneo, Bari-Taranto, Rome and Naples-Palermo), a physical and virtual meeting point to support SMEs in approaching sustainability, and evolution of the advisory services offered by partners (e.g. Circularity, Nativa, CE Lab and others)
- Continued success of the **S-Loan** product range dedicated to SMEs to finance projects aimed at improving their sustainability profile (5 product lines: S-Loan ESG, S-Loan Diversity, S-Loan Climate Change; S-Loan Agribusiness and S-Loan Tourism). **~€2.2bn** in 2022 (**~€3.5bn** granted since launch in July 2020). In March 2022, ISP won the Milano Finanza Banking Awards for its **S-Loan product** and for the dedicated **ESG training platform for corporate clients (Skills4ESG)**
- In October 2021, launch of **Digital Loans (D-Loans)** aimed at improving the digitalisation of companies: **€22m** disbursed since launch
- In December 2021, launch of **Suite Loans** aimed at incentivising investments in the redevelopment/improvement of hotel facilities and accommodation services: **€10m** disbursed since launch
- **Defined the ESG/Climate evolution of the Non-Financial Corporate credit framework**, leveraging on sectorial heatmap, counterparties' ESG scoring and a new definition on sustainable products
- Accelerated **ESG advisory to corporates** to steer the energy transition through a scalable approach, with a focus on energy, infrastructure and the automotive & industrial sectors
- Defined an **ESG value proposition initiative for the corporate and SME segments of Group banks** in Slovakia, Hungary, Croatia, Serbia and Egypt
- Enhancement of **ESG investment products** both for asset management and insurance with penetration increasing to 54% of total AuM⁽²⁾
- Launch of two funds "Eurizon Step 50 Obiettivo Net Zero" which invest in companies with targets for net zero greenhouse gas emissions by 2050
- Continuous commitment to Stewardship activities: in 2022, Eurizon Capital SGR took part in 254 shareholders' meetings (of which 73% are issuers listed abroad) and 538 engagements (of which 50% on ESG issues)
- **Fideuram Advisory model** revised to incorporate ESG principles into need-based financial planning and a comprehensive **ESG certification training program** launched for **financial advisors** (more than 51,000 hours delivered to 3,057 participants in 2022) and for **employed private bankers and agents** (~13,900 hours delivered to 1,043 participants)
- In 2022, the Private Banking Division carried out 47 Customer Events (28 in person and 19 digitally) for a total of 11,150 participants (5,000 in person and 6,150 digitally)

Reinforced ISP ESG governance, with the Risks Committee becoming the Risks and Sustainability Committee with enhanced ESG responsibilities from April 2022

(1) 2021-2026 National Recovery and Resilience Plan

(2) Eurizon perimeter – funds pursuant to art. 8 and 9 SFDR 2019/2088

Confirmed leading ESG position in the main sustainability indexes and rankings



The **only Italian bank** listed in the **Dow Jones Sustainability Indices**, the **CDP Climate A List 2022 and 2023 Corporate Knights** “Global 100 Most Sustainable Corporations in the World Index” **Ranked first among peer group by Bloomberg** (ESG Disclosure Score) and Sustainalytics

In January 2023, ISP was confirmed in the **Bloomberg Gender-Equality Index**



In September 2022, ISP was ranked second bank worldwide in the **Refinitiv D&I Index**

In the 2022 ranking by **Institutional Investor**, ISP was **confirmed first in Europe** for ESG aspects

Top ranking⁽¹⁾ for Sustainability

	Bloomberg	CDP	MSCI	S&P Global	SUSTAINALYTICS
ISP	73	A	AAA	86	15.8
UniCredit	67	A	AA	84	18.3
HSBC	63	A	AA	83	19.4
UBS	62	A-	AA	83	19.5
UBS	62	A-	AA	79	19.9
CREDIT SUISSE	61	A-	AA	79	20.4
LLOYDS BANK	60	B	AA	75	20.9
Santander	60	B	AA	70	21.7
BBVA	58	B	AA	65	22.4
SOCIETE GENERALE	58	B	AA	62	22.5
ING	58	B	AA	59	22.5
ING	56	B	AA	52	23.8
COMMERZBANK	54	B	AA	47	25.1
BARCLAYS	54	C	AA	46	25.5
ING	52	C	A	46	25.7
CREDIT AGRICOLE	51	F	A	40	27.9
Nordea	44	N.A.	A	N.A.	30.0

Member 2022/2023 ESG Leaders Indices

MSCI ESG RATINGS AA

CDP A LIST 2022 CLIMATE

SOLACTIVE FTSE4Good

REFINITIV TOP 100 COMPANY 2022

SUSTAINALYTICS

Bloomberg Gender-Equality Index 2023 Member

GLOBAL100

standard ethics

ECPI


(1) ISP peer group
 Source: Bloomberg ESG Disclosure Score (Bloomberg as at 27.1.23), CDP Climate Change Score 2022 (<https://www.cdp.net/en/companies/companies-scores>); MSCI ESG Score (<https://www.msci.com/esg-ratings>) data as at 27.1.23; S&P Global (website: <https://www.spglobal.com/esg/solutions/data-intelligence-esg-scores> as at 3.2.23); Sustainalytics score (<https://www.sustainalytics.com/esg-ratings>; as at 27.1.23)

Our People are our most important asset

Key highlights

Our People are our most important asset



- ~1,300 professionals hired throughout 2021 and 2022
- ~2,000 people reskilled in 2022
- ~12.6m training hours delivered in 2022, of which more than 640k on ESG issues
- More than 140 talents have already completed their development path as part of the International Talent Program, still ongoing for other ~180 resources: ~170 new talents have been selected and will start the Program by 1Q23 (~150 internal colleagues and 20 hired from the external market)
- ~430 key people have been selected mostly among Middle Management for dedicated development and training initiatives
- Live webinars, podcasts, video content, articles and other initiatives (also on site), and Employee Assistance Program (psychological support) to foster employee wellbeing
- Implemented the new Long-Term Incentive Plan to support the 2022-2025 Business Plan goals and foster individual entrepreneurship
- Completed the creation of the new leading education player in Italy through the combination between ISP Formazione and Digit'Ed, a Nextalia Fund company
- New organisational framework closer to the needs of our People with greater flexibility in terms of daily work schedule, smart working and the introduction of a 4-day working week on a voluntary basis with no change in remuneration
- Defined and shared 2022 Diversity & Inclusion goals for every organisational unit, including the implementation of the new commitment related to equal gender access to senior leadership roles; monitoring of the 2022 goals for each Division and Governance Area launched; started collaboration with ISPROUD, the first employee-based community within the Group, currently welcoming more than 400 LGBTQ+ People and allies
- ISP recognised in Refinitiv's Global Diversity and Inclusion Index, as first European Bank, second worldwide, and the only one in Italy among the 100 most inclusive and diversity-focused workplaces. Intesa Sanpaolo is also the first major Italian banking group to obtain the certification for gender parity "Prassi di Riferimento (PDR) 125:2022" envisaged by the National Recovery and Resilience Plan (NRRP), thanks to its commitment to diversity and inclusion
- ISP recognised as Top Employer 2023⁽¹⁾  for the second consecutive year and ranked at the top of LinkedIn's Top Companies 2022 list

€77m one-off contribution to ISP People to mitigate the impact from inflation

(1) By Top Employers Institute

ISP has implemented multiple humanitarian projects to support the Ukrainian population and Pravex Bank colleagues

Donations and other support initiatives for Ukraine



- The **Extraordinary Fund** for the donation of **€10m** in support of the humanitarian emergency in Ukraine has been **fully utilised**: 60% for initiatives abroad (in Ukraine and at its borders) and 40% in Italy (for arriving refugees) thanks to collaboration agreements signed with important humanitarian organizations:
 - Agreements have been signed with **UNHCR⁽¹⁾, Caritas, CESVI⁽²⁾, Banco Farmaceutico, Consiglio Italiano per i Rifugiati, Vicariato di Roma, Confederazione Nazionale delle Misericordie d'Italia, European Food Banks Federation, AVSI⁽³⁾, Azione Contro la Fame, Robert F. Kennedy Human Rights Italia** and **Bambini nel Deserto Onlus** to support projects for humanitarian protection, housing, direct economic support, health and psychological assistance, distribution of basic necessities and the integration of Ukrainian refugees in Italy
 - Completed the fundraising in favour of UNHCR⁽¹⁾, through ISP **ForFunding** crowdfunding platform, collecting **€1.1m**; **the Bank has doubled the amount collected**
- **Fundraising**:
 - through **ForFunding**, to support **Fondazione RAVA for children's hospitals in Ukraine** (total amount collected: €354k) with a direct donation from ISP
 - through the **Group International Subsidiaries** in **5 Eastern European countries, to support different local ONGs** (total amount collected: €255k)
- The **ISP Charity Fund** has guaranteed support to two organisations directly operating in Ukraine: **Doctors Without Borders** and **Fondazione Soleterre** for the distribution of emergency medical supplies to hospitals, training for health facility staff, the reception and continuity care of children with oncological pathologies
- **Donated⁽⁴⁾ 6,400 hours of paid leave** to employees willing to volunteer to host refugees or to cooperate outside Italy with NGOs and non-profit organisations for humanitarian and social purposes. ISP people can contribute by donating their time, increasing the hours already provided by ISP
- Agreed concession, with free loan for use, of **IMMIT building** in Bergamo to the Ukrainian Zlaghoda Association to collect donated goods

Key support initiatives for Pravex Bank colleagues



- **>260 people (95 families) have been welcomed** by the International Subsidiary Banks Division outside Ukraine
- **Arrangements to host ~210 Pravex Bank colleagues** and their family members in Italy in apartments, residences and other accommodations. Use of a Bank building to host ~35 workstations for Pravex Bank colleagues
- Contribution by ISP Onlus of €3,000 to each Pravex Bank colleague fleeing with children <18 years old (total of €250k)
- To facilitate the integration of Pravex Bank colleagues' families housed in approximately 40 apartments owned by the Group and residential facilities in Bergamo, other initiatives have been activated such as sports activities, support for administrative activities, ensure school access by providing devices for distance learning with Ukrainian schools
- Partnership with Caritas to provide services (e.g. healthcare), linguistic and cultural assistance

(1) United Nations High Commissioner for Refugees (2) «Cooperazione e Sviluppo» (3) Associazione Volontari per il Servizio Internazionale (4) Agreed with Labour Unions

The 2022-2025 Business Plan formula



Our People are our most important asset



Massive upfront de-risking, slashing Cost of risk

~1% net NPL ratio⁽¹⁾

~40bps Cost of risk⁽¹⁾



Structural Cost reduction, enabled by technology

€2bn Cost savings

€5bn investments in technology and growth



Growth in Commissions, driven by Wealth Management, Protection & Advisory

~€100bn growth in AuM

~57% of Revenues from fee-based business⁽²⁾



Significant ESG commitment, with a world-class position in Social Impact and strong focus on climate

~€25bn in social lending/contribution to society
~€90bn in new loans to support the green transition

Clear and strong upside to the €6.5bn Net income target for 2025 from interest rate increases

(1) Throughout the entire Business Plan horizon

(2) Commissions and Insurance income

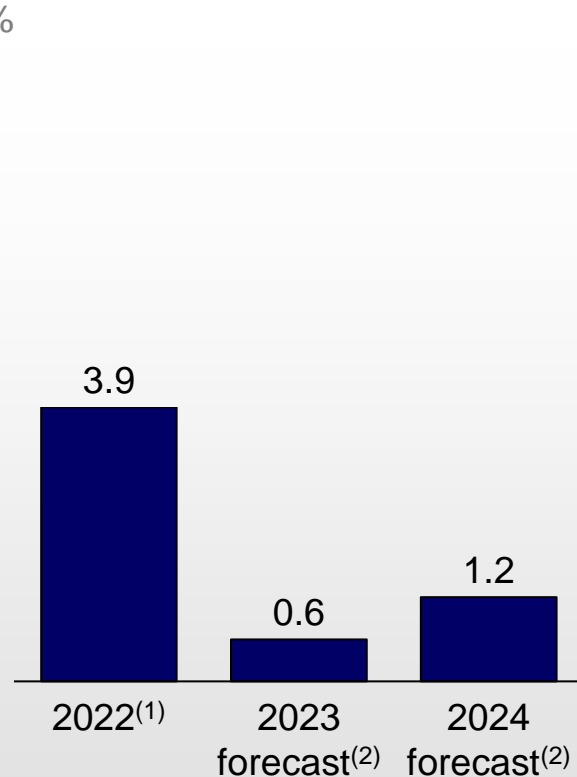
FY22: high-quality earnings

2022-2025 Business Plan proceeding at full speed

ISP is fully equipped for further success

The Italian economy is stronger than in the past and Italy's solid fundamentals support the resilience of the economy...

The Italian economy is resilient thanks to solid fundamentals



Households

- **Strong Italian household gross wealth** at more than €11,400bn, of which €5,200bn in financial assets, coupled with low household debt and debt-service ratios

Corporates

- **Very resilient Italian SMEs, quickly recovering** after the COVID-19 emergency with historically-low default rates, high liquidity and improved financial leverage
- **Export-oriented companies** highly diversified in terms of industry and size, Italian exports have outperformed Germany's by around 15% over the past 5 years⁽³⁾
- **High manufacturing trade surplus:** €106bn in 2021, €92bn in Jan-Nov 2022

Banking system

- **Banking system** played an important role in mitigating the economic impact of COVID-19 and is now supporting households and companies to overcome the energy crisis

Italian Government and EU support

- **Extensive support to the economy from the Italian Government**, with measures worth ~€93bn approved since September 2021 (~5% of GDP)
- **EU financial support** (Next Generation EU) to fund the National Recovery and Resilience Plan, providing Italy with more than €200bn in grants and loans, of which €25bn received in 2021, €42bn in 2022 and €35bn expected in 2023

- **Lower than expected energy and commodity prices** will contribute to easing inflationary pressures
- The labour market remains solid and, as inflation slows, **the economy is set to reaccelerate**
- In 2024, the **global recovery will also support external demand for Italian companies**

(1) Source: ISTAT, preliminary estimate, 31.1.23

(2) Source: Bank of Italy, January 2023

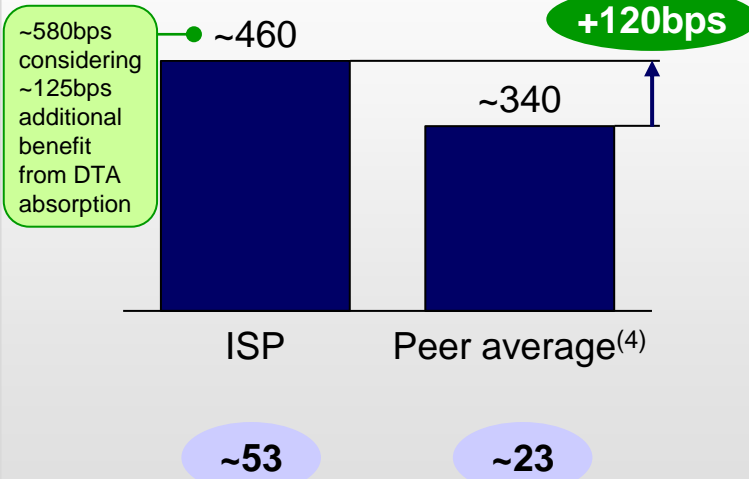
(3) At current prices (November 2022 vs November 2017)

... and ISP is far better equipped than its peers thanks to a best-in-class risk profile, rock-solid capital position and a well-diversified and resilient business model

Buffer vs requirements SREP + combined buffer⁽¹⁾

31.12.22, bps

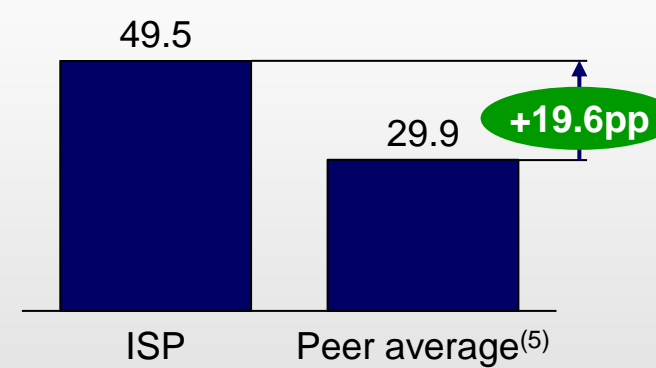
x Fully phased-in CET1⁽²⁾/Total illiquid assets⁽³⁾, 31.12.22, %



Rock-solid capital base and best-in-class risk profile

Contribution of Net fees and commissions and Insurance income to Operating income

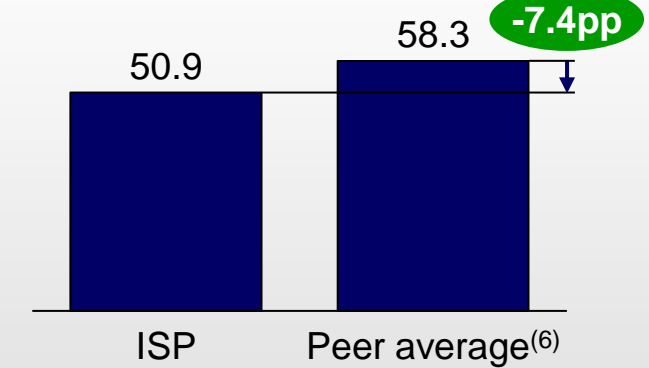
31.12.22, %



Well-diversified and resilient business model

Cost/Income ratio

31.12.22, %



High strategic flexibility to manage Costs

Note: figures may not add up exactly due to rounding

(1) Calculated as the difference between the Fully phased in CET1 ratio, taking into account the share buyback approved by the ECB, vs requirements SREP + combined buffer

(2) Fully phased-in CET1. Sample: BBVA, Deutsche Bank, ING Group, Nordea, Santander, UBS and UniCredit (31.12.22 data); Barclays, BNP Paribas, Commerzbank, Crédit Agricole S.A., Credit Suisse, HSBC, Lloyds Banking Group, Société Générale and Standard Chartered (30.9.22 data)

(3) Total illiquid assets include net NPL stock, Level 2 assets and Level 3 assets. Sample: BBVA, Deutsche Bank, ING Group, Nordea, Santander, UBS and UniCredit (net NPL 31.12.22 data); Barclays, Commerzbank, Crédit Agricole S.A., Credit Suisse, HSBC, Lloyds Banking Group, Société Générale and Standard Chartered (net NPL 30.9.22 data); BNP Paribas (net NPL 30.6.22 data). Level 2 and Level 3 assets 30.6.22 data; (Nordea 31.12.22 data)

(4) Sample: BBVA, Deutsche Bank, ING Group, Nordea, Santander and UniCredit (31.12.22 data); BNP Paribas, Commerzbank, Crédit Agricole S.A and Société Générale (30.9.22 data)

(5) Sample: BBVA, Deutsche Bank, ING Group, Nordea, Santander, UBS and UniCredit (31.12.22 data); BNP Paribas, Commerzbank, Credit Suisse, HSBC and Standard Chartered (30.9.22 data); Barclays, Lloyds Banking Group and Société Générale (30.6.22 data)

(6) Sample: BBVA, Deutsche Bank, ING Group, Nordea, Santander, UBS and UniCredit (31.12.22 data); Barclays, BNP Paribas, Commerzbank, Crédit Agricole S.A., Credit Suisse, HSBC, Lloyds Banking Group, Société Générale and Standard Chartered (30.9.22 data)

Delivering on our commitments and fully equipped for further success

Excellent 2022 performance driven by high-quality earnings

- **€5.5bn Net income** when excluding Russia de-risking (>€5bn 2022 Business Plan Net income target exceeded)
- **€4.4bn stated Net income**, the best since 2007
- **Strong increase in fully phased-in CET1** in Q4 (+110bps vs Q3)
- **68% reduction of Russia exposure⁽¹⁾**, down to below 0.3% of Group customer loans
- **Strong acceleration of Net interest income** (+20.2% vs FY21⁽²⁾)
- **Best-ever Operating income, Operating margin and Gross income**
- **Decrease in Operating costs** (-0.4% vs FY21⁽²⁾) and improvement in Cost/Income ratio (-1.9pp vs FY21⁽²⁾)
- Further **NPL stock reduction and lowest-ever NPL stock and ratio**

Fully equipped for further success thanks to a well-diversified and resilient business model

- Resilient **profitability**, rock-solid **capital position**, low **leverage** and strong **liquidity**
- **Zero-NPL Bank** with net NPL ratio at 1.0%⁽³⁾ and low underlying Cost of risk
- **Well-diversified and resilient business model**: a Wealth Management, Protection & Advisory Leader with fully-owned product factories and more than €1.2 trillion in Customer financial assets
- **Net interest income** gaining strong **momentum**
- High **strategic flexibility in managing Costs**, with Cost/Income ratio at 50.9%
- **€0.9bn as overlays** still available
- **Low and adequately** provisioned Russia-Ukraine exposure

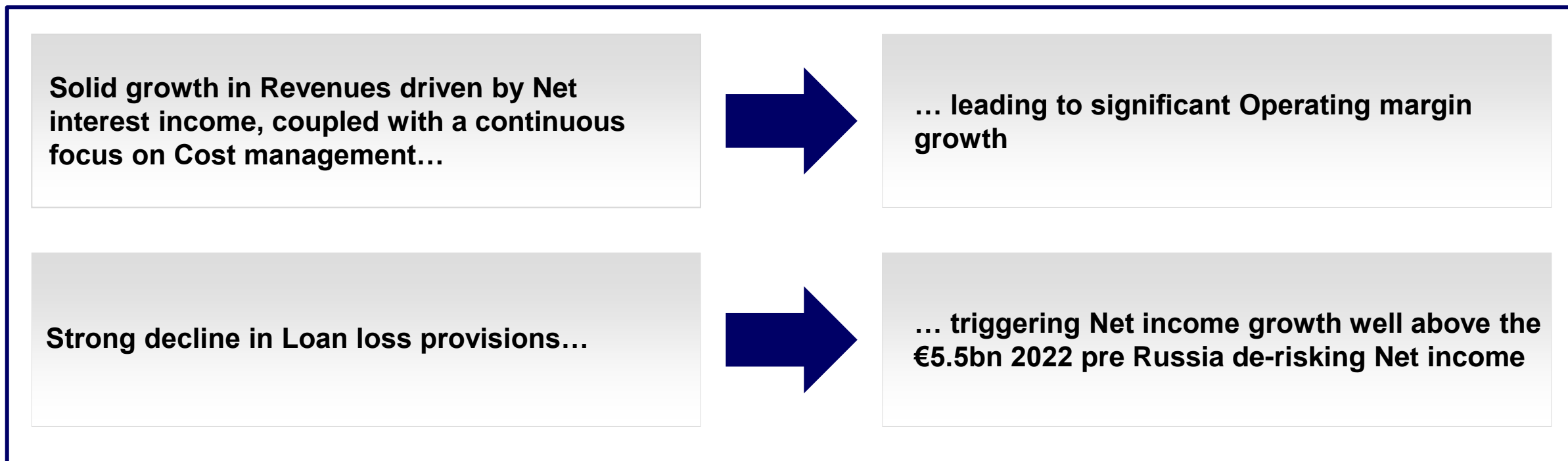
Execution of the 2022-2025 Business Plan proceeding at full speed, with key industrial initiatives well underway

(1) Vs 30.6.22

(2) Data redetermined considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group. In addition, 2021, 1Q22 and 2Q22 data restated to reflect the consolidation of Compagnie de Banque Privée Quilvest (Fideuram Group) since July 2022 and the sale of Intesa Sanpaolo Formazione at end-June 2022

(3) According to EBA definition

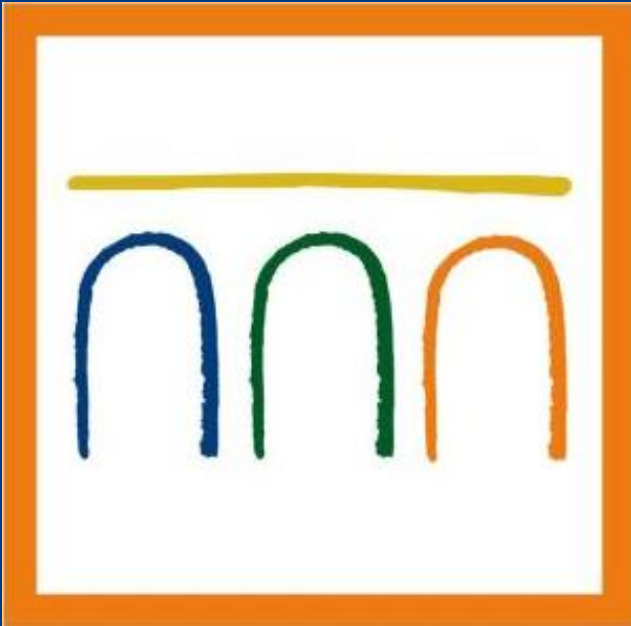
ISP outlook for 2023



- **Strong and sustainable value creation and distribution: 70% cash payout ratio and €1.7bn second tranche of buyback to be launched in the next few days**
- **Fully phased-in CET1 ratio expected to be close to 13% at the end of 2023, >13% in 2024 and >13.5% in 2025 (>13% post Basel 4, ~14% including DTA absorption), taking into account a 70% cash payout ratio and not considering any additional distribution to be evaluated year-by-year**
- **Fully phased-in CET1 ratio target >12% (Basel 3/Basel 4) throughout 2022-2025 Business Plan horizon confirmed**

2022 Results

[Detailed information](#)



Key P&L and Balance sheet figures

€ m

	2022		31.12.22
Operating income	21,470	Loans to customers	446,854
Operating costs	(10,934)	Customer financial assets ⁽¹⁾	1,222,006
Cost/Income ratio	50.9%	of which Direct deposits from banking business	545,386
Operating margin	10,536	of which Direct deposits from insurance business and technical reserves	173,597
Gross income (loss)	7,344	of which Indirect customer deposits	674,705
Net income	4,354	- <i>Assets under management</i>	430,165
		- <i>Assets under administration</i>	244,540
		RWA	295,443
		Total assets	975,683

Note: figures may not add up exactly due to rounding

(1) Net of duplications between Direct deposits and Indirect customer deposits

Detailed consolidated P&L results

Liquidity, Funding and Capital base

Asset quality

Divisional results and other information

2022 vs 2021: €5.5bn Net income when excluding Russia de-risking, driven by high-quality operating performance

€ m

	FY21		FY22	Δ%
	stated ⁽¹⁾ [A]	redetermined ⁽²⁾ [B]	[C]	[C]/[B]
Net interest income	7,971	7,905	9,500	20.2
Net fee and commission income	9,621	9,527	8,919	(6.4)
Income from insurance business	1,586	1,629	1,705	4.7
Profits on financial assets and liabilities at fair value	1,636	1,635	1,378	(15.7)
Other operating income (expenses)	111	97	(32)	n.m.
Operating income	20,925	20,793	21,470	3.3
Personnel expenses	(6,794)	(6,743)	(6,742)	(0.0)
Other administrative expenses	(2,987)	(2,994)	(2,912)	(2.7)
Adjustments to property, equipment and intangible assets	(1,241)	(1,243)	(1,280)	3.0
Operating costs	(11,022)	(10,980)	(10,934)	(0.4)
Operating margin	9,903	9,813	10,536	7.4
Net adjustments to loans	(2,772)	(2,766)	(3,113)	12.5
Net provisions and net impairment losses on other assets	(848)	(851)	(281)	(67.0)
Other income (expenses)	332	332	202	(39.2)
Income (Loss) from discontinued operations	0	58	0	(100.0)
Gross income (loss)	6,615	6,586	7,344	11.5
Taxes on income	(1,604)	(1,605)	(2,059)	28.3
Charges (net of tax) for integration and exit incentives	(439)	(439)	(140)	(68.1)
Effect of purchase price allocation (net of tax)	(39)	(39)	(211)	441.0
Levies and other charges concerning the banking industry (net of tax)	(525)	(512)	(576) ⁽³⁾	12.5
Impairment (net of tax) of goodwill and other intangible assets	0	0	0	n.m.
Minority interests	177	194	(4)	n.m.
Net income	4,185	4,185	4,354	4.0

Including €1.3bn provisions for Russia-Ukraine exposure and €1.2bn as overlays and to favour de-risking

€5,499m, +31.4% excluding provisions/writedowns for Russia-Ukraine exposure

Note: figures may not add up exactly due to rounding. 2021, 1Q22 and 2Q22 data restated to reflect the consolidation of Compagnie de Banque Privée Quilvest (Fideuram Group) since July 2022 and the sale of Intesa Sanpaolo Formazione at end-June 2022

(1) Including the contribution of branches sold in 1H21 and the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni from the effective date of their acquisition and REYL Group from 1.1.21

(2) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

(3) €836m pre-tax of which charges for the Resolution Fund: €369m pre-tax (€254m net of tax) and charges for the Deposit Guarantee Scheme: €424m pre-tax (€289m net of tax)

Q4 vs Q3: €1.1bn Net income driven by high-quality operating performance, coupled with conservative provisions and strengthened buffers

€ m

	3Q22	4Q22	Δ%
Net interest income	2,387	3,064	28.4
Net fee and commission income	2,153	2,222	3.2
Income from insurance business	436	402	(7.8)
Profits on financial assets and liabilities at fair value	51	(2)	n.m.
Other operating income (expenses)	(12)	(12)	0.0
Operating income	5,015	5,674	13.1
Personnel expenses	(1,632)	(1,921)	17.7
Other administrative expenses	(695)	(865)	24.5
Adjustments to property, equipment and intangible assets	(313)	(344)	9.9
Operating costs	(2,640)	(3,130)	18.6
Operating margin	2,375	2,544	7.1
Net adjustments to loans	(496)	(1,185)	138.9
Net provisions and net impairment losses on other assets	(45)	(113)	151.1
Other income (expenses)	4	55	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	1,838	1,301	(29.2)
Taxes on income	(562)	(50)	(91.1)
Charges (net of tax) for integration and exit incentives	(23)	(78)	239.1
Effect of purchase price allocation (net of tax)	(51)	(59)	15.7
Levies and other charges concerning the banking industry (net of tax)	(266)	(32)	(88.0)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(6)	(12)	100.0
Net income	930	1,070	15.1

Including €1.0bn provisions as overlays and to favour de-risking in Q4

Note: figures may not add up exactly due to rounding

Quarterly P&L

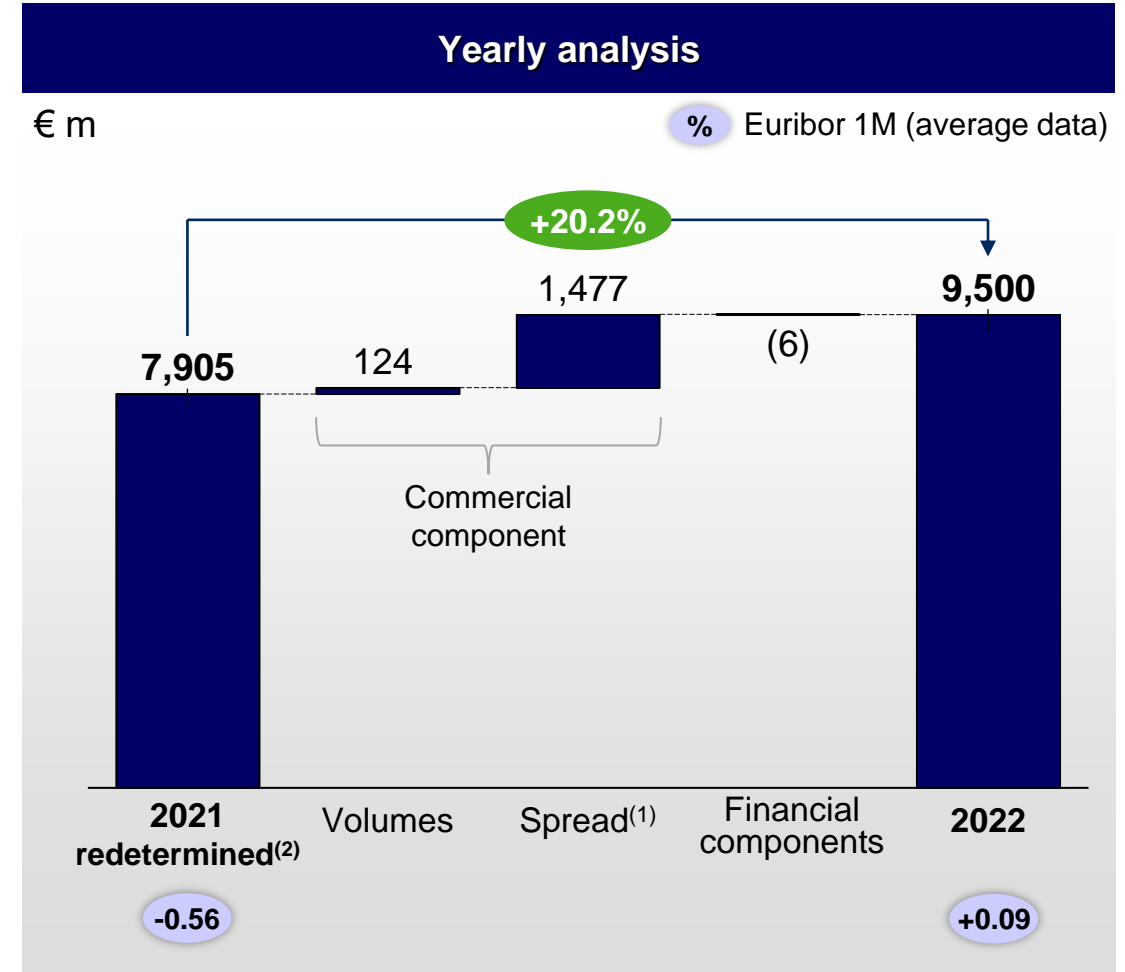
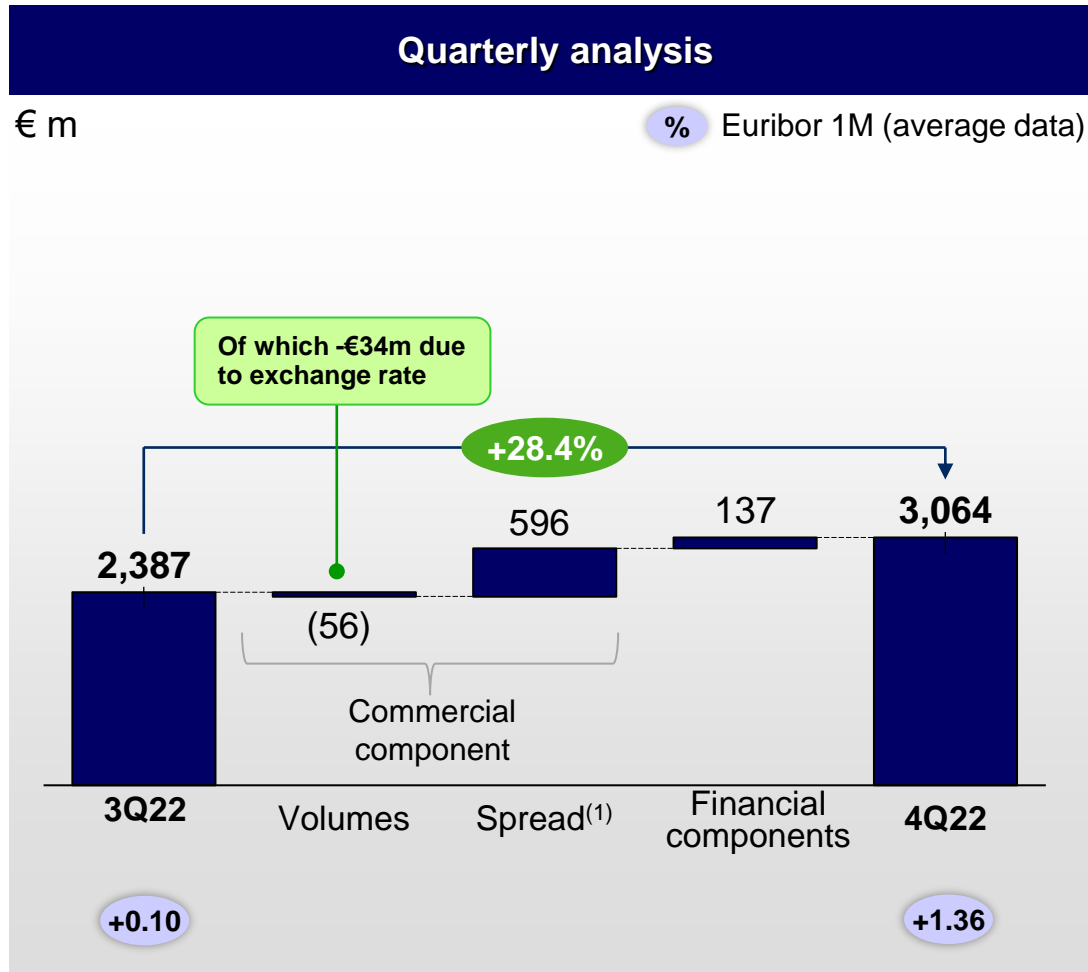
€ m

	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22
	redetermined ⁽¹⁾							
Net interest income	1,953	1,997	2,000	1,955	1,957	2,092	2,387	3,064
Net fee and commission income	2,317	2,369	2,323	2,518	2,289	2,255	2,153	2,222
Income from insurance business	398	456	365	410	402	465	436	402
Profits on financial assets and liabilities at fair value	798	346	380	111	769	560	51	(2)
Other operating income (expenses)	32	21	26	18	4	(12)	(12)	(12)
Operating income	5,498	5,189	5,094	5,012	5,421	5,360	5,015	5,674
Personnel expenses	(1,629)	(1,652)	(1,636)	(1,826)	(1,576)	(1,613)	(1,632)	(1,921)
Other administrative expenses	(675)	(734)	(716)	(869)	(634)	(718)	(695)	(865)
Adjustments to property, equipment and intangible assets	(306)	(299)	(301)	(337)	(314)	(309)	(313)	(344)
Operating costs	(2,610)	(2,685)	(2,653)	(3,032)	(2,524)	(2,640)	(2,640)	(3,130)
Operating margin	2,888	2,504	2,441	1,980	2,897	2,720	2,375	2,544
Net adjustments to loans	(402)	(599)	(543)	(1,222)	(702)	(730)	(496)	(1,185)
Net provisions and net impairment losses on other assets	(134)	(220)	(82)	(415)	(60)	(63)	(45)	(113)
Other income (expenses)	198	(7)	63	78	(4)	147	4	55
Income (Loss) from discontinued operations	48	10	0	0	0	0	0	0
Gross income (loss)	2,598	1,688	1,879	421	2,131	2,074	1,838	1,301
Taxes on income	(832)	(81)	(614)	(78)	(777)	(670)	(562)	(50)
Charges (net of tax) for integration and exit incentives	(52)	(55)	(41)	(291)	(16)	(23)	(23)	(78)
Effect of purchase price allocation (net of tax)	(16)	(18)	(51)	46	(54)	(47)	(51)	(59)
Levies and other charges concerning the banking industry (net of tax)	(196)	(83)	(210)	(23)	(266)	(12)	(266)	(32)
Impairment (net of tax) of goodwill and other intangible assets	0	0	0	0	0	0	0	0
Minority interests	14	56	20	104	6	8	(6)	(12)
Net income	1,516	1,507	983	179	1,024	1,330	930	1,070

Note: figures may not add up exactly due to rounding. 2021, 1Q22 and 2Q22 data restated to reflect the consolidation of Compagnie de Banque Privée Quilvest (Fideuram Group) since July 2022 and the sale of Intesa Sanpaolo Formazione at end-June 2022

(1) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Net interest income: significant yearly growth, with strong acceleration in Q4, thanks to the commercial component



Note: figures may not add up exactly due to rounding. 2021, 1Q22 and 2Q22 data restated to reflect the consolidation of Compagnie de Banque Privée Quilvest (Fideuram Group) since July 2022 and the sale of Intesa Sanpaolo Formazione at end-June 2022

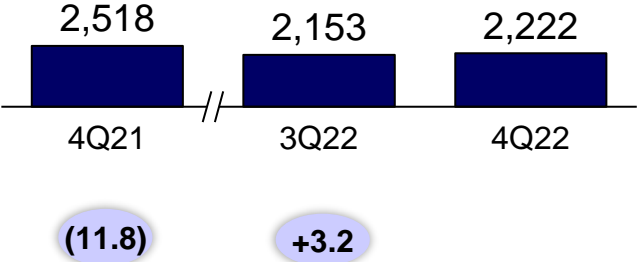
(1) Including hedging on core deposits

(2) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Net fee and commission income: impacted by negative market performance

Quarterly analysis

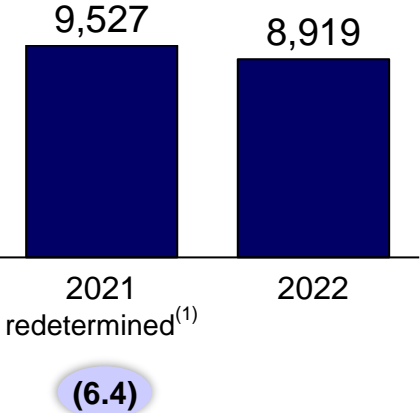
€ m % Δ 4Q22 vs 4Q21 and 3Q22



- Commissions from Commercial banking activities up 5.0% (+€32m) vs 4Q21
- Strong increase in Management, dealing and consultancy activities (+6.7%, +€81m) vs Q3
- +€2.8bn in AuM net inflow in Q4
- -5.5% vs 4Q21 excluding performance fees

Yearly analysis

€ m % Δ 2022 vs 2021



- Commissions from Commercial banking activities up 5.4% (+€137m)
- +€4.1bn in AuM net inflow on a yearly basis
- -3.1% excluding performance fees

Note: figures may not add up exactly due to rounding. 2021, 1Q22 and 2Q22 data restated to reflect the consolidation of Compagnie de Banque Privée Quilvest (Fideuram Group) since July 2022 and the sale of Intesa Sanpaolo Formazione at end-June 2022
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Net fee and commission income: quarterly development breakdown

€ m

Net fee and commission income								
	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22
	redetermined ⁽¹⁾							
Guarantees given / received	42	51	57	52	47	54	86	59
Collection and payment services	137	139	138	138	139	164	156	164
Current accounts	344	353	352	365	346	348	348	344
Credit and debit cards	61	106	108	89	83	108	114	109
Commercial banking activities	584	649	655	644	615	674	704	676
Dealing and placement of securities	293	284	209	229	228	153	134	167
Currency dealing	3	3	3	4	2	3	4	0
Portfolio management	732	775	758	877	704	676	660	670
Distribution of insurance products	406	383	401	417	403	421	357	406
Other	61	53	61	112	75	56	59	52
Management, dealing and consultancy activities	1,495	1,498	1,432	1,639	1,412	1,309	1,214	1,295
Other net fee and commission income	238	222	236	235	262	272	235	251
Net fee and commission income	2,317	2,369	2,323	2,518	2,289	2,255	2,153	2,222

Note: figures may not add up exactly due to rounding. 2021, 1Q22 and 2Q22 data restated to reflect the consolidation of Compagnie de Banque Privée Quilvest (Fideuram Group) since July 2022 and the sale of Intesa Sanpaolo Formazione at end-June 2022

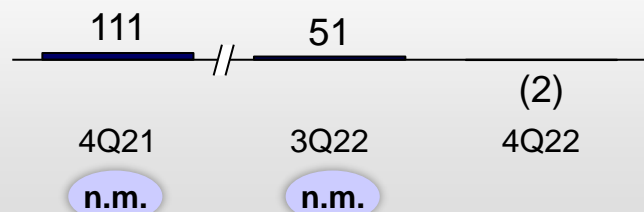
(1) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

Profits on financial assets and liabilities at fair value: €1.4bn in 2022

Quarterly analysis

€ m

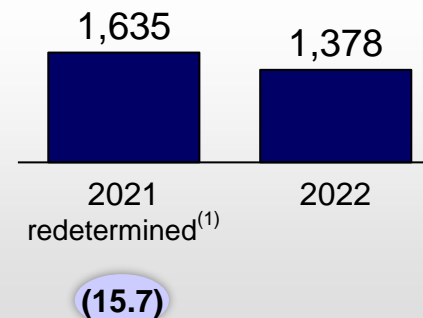
% Δ 4Q22 vs 4Q21 and 3Q22



Yearly analysis

€ m

% Δ 2022 vs 2021



Contributions by activity

	4Q21	3Q22	4Q22	2021 redetermined ⁽¹⁾	2022
Customers	83	105	91	321	374
Capital markets	118	(173)	(74)	691	(336)
Trading and Treasury	(89)	129	(2)	614	1,389
Structured credit products	(1)	(10)	(17)	9	(49)

Note: figures may not add up exactly due to rounding. 2021, 1Q22 and 2Q22 data restated to reflect the consolidation of Compagnie de Banque Privée Quilvest (Fideuram Group) since July 2022 and the sale of Intesa Sanpaolo Formazione at end-June 2022

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Operating costs: yearly reduction and improvement in Cost/Income ratio despite inflation, while investing in technology and growth

Quarterly analysis

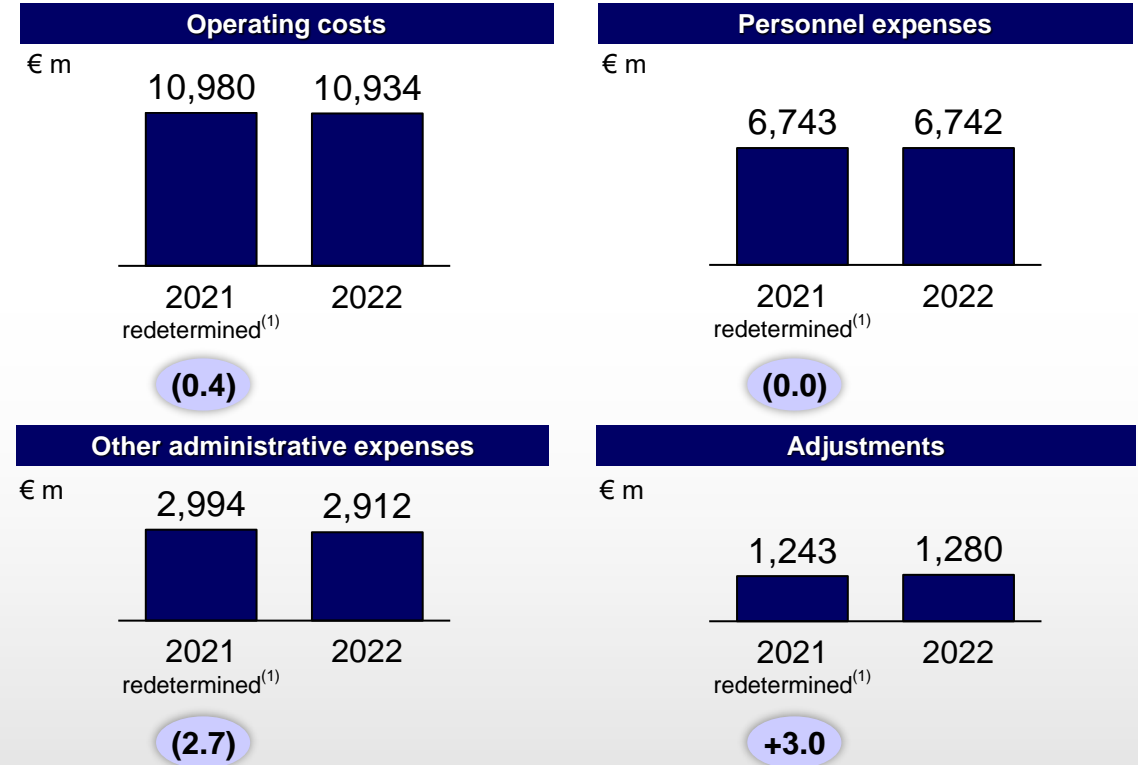
% Δ 4Q22 vs 4Q21 and 3Q22



- Operating costs up vs Q3 due to investments, incentives to trigger growth, and to seasonal effects at year-end
- Decrease in Other administrative expenses vs 4Q21 (-0.5%)

Yearly analysis

% Δ 2022 vs 2021



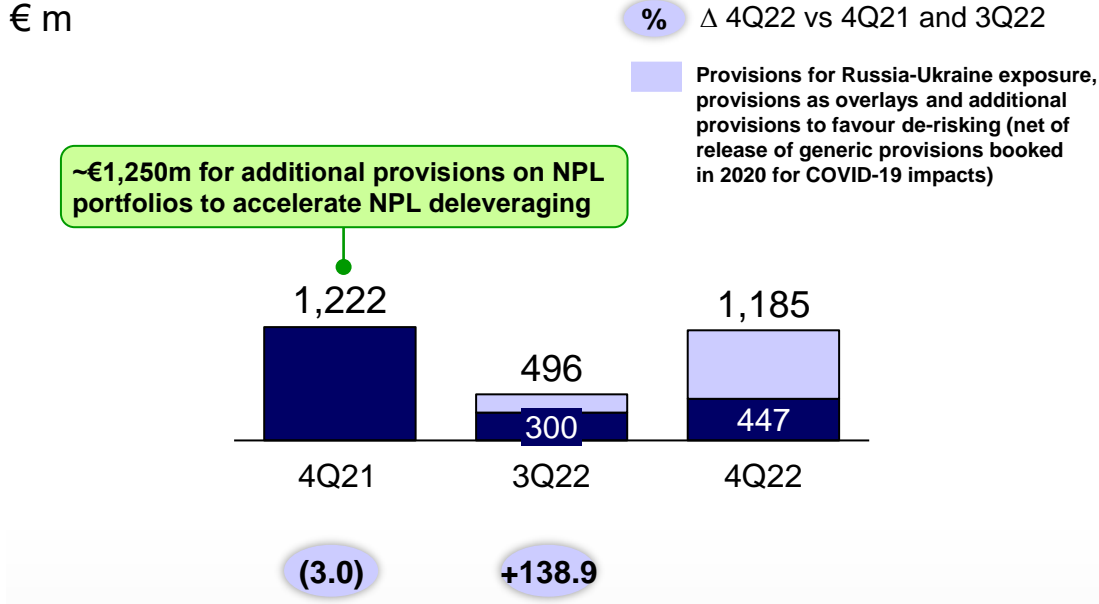
- Cost/Income ratio down to 50.9% (vs 52.8% in 2021⁽¹⁾)
- Strong decrease in Other administrative expenses (-2.7%)
- Adjustments up due to investments for growth (technology +7.3%), while rationalising real estate and other (-4.8%)
- ~2,100 headcount reduction, of which ~1,150 in H2

Note: figures may not add up exactly due to rounding. 2021, 1Q22 and 2Q22 data restated to reflect the consolidation of Compagnie de Banque Privée Quilvest (Fideuram Group) since July 2022 and the sale of Intesa Sanpaolo Formazione at end-June 2022

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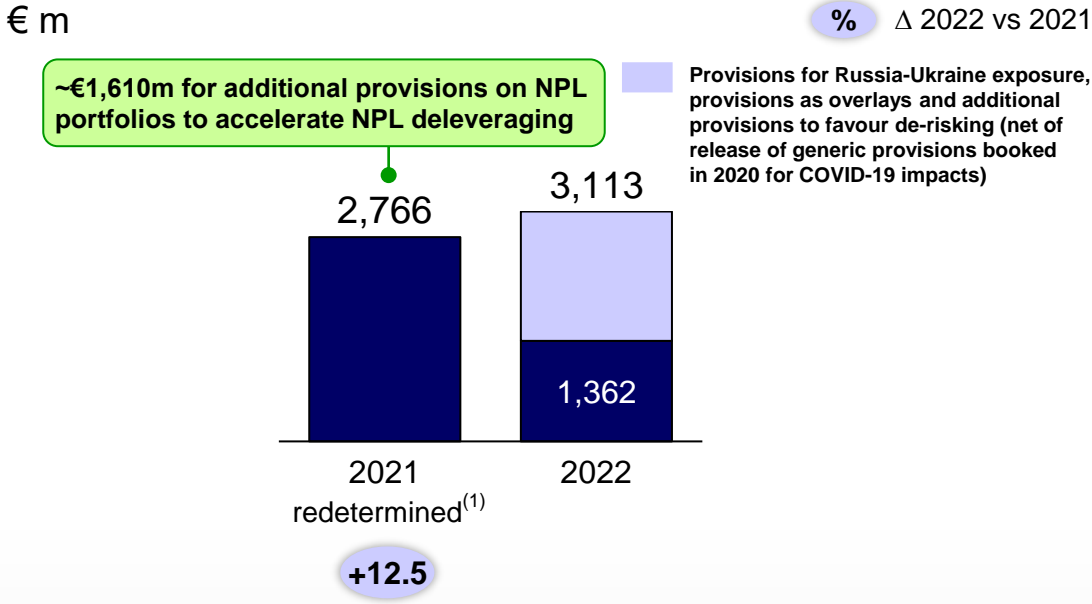
Net adjustments to loans: low underlying Cost of risk

Quarterly analysis



- Twenty-ninth quarter of continuous reduction in net NPL stock
- Increased NPL coverage in Q4 (+1.5pp vs Q3)
- €0.7bn gross NPL reduction in 4Q22

Yearly analysis



- Cost of credit at 30bps when excluding €1.8bn provisions for Russia-Ukraine exposure, provisions as overlays and additional provisions to favour de-risking (net of release of generic provisions conservatively booked in 2020 for COVID-19 impacts)
- €0.9bn as overlays still available
- Lowest-ever NPL inflow⁽²⁾
- €4.6bn gross NPL reduction on a yearly basis

(1) Considering, on the basis of management accounts, the reallocation of the contribution of branches sold in 1H21 to Income (Loss) from discontinued operations, the full line-by-line consolidation of Assicurazioni Vita (former Aviva Vita), Lombarda Vita and Cargeas Assicurazioni (not considering, on the basis of management accounts, the contribution of branches sold in 1H21), and the effects of the acquisition of the REYL Group

(2) Excluding Russia-Ukraine exposure

Detailed consolidated P&L results

Liquidity, Funding and Capital base

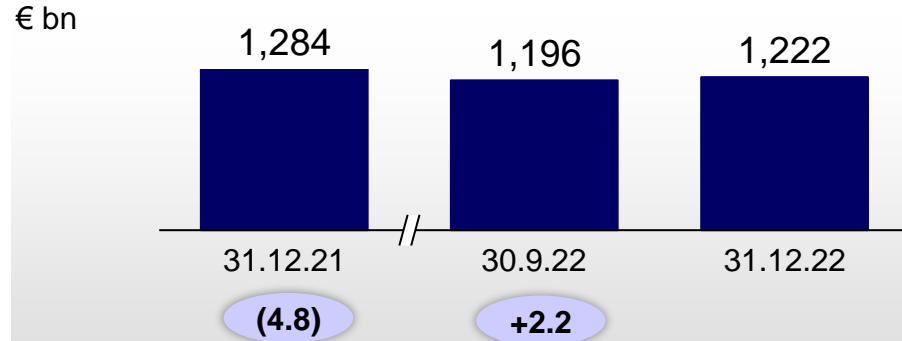
Asset quality

Divisional results and other information

More than €1.2 trillion in Customer financial assets to fuel Wealth Management engine and drive Net interest income growth, with a €26bn increase in Q4

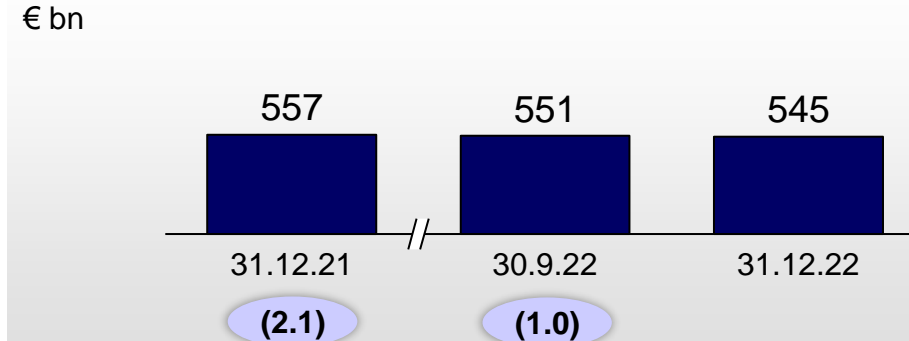
% Δ 31.12.22 vs 31.12.21 and 30.9.22

Customer financial assets⁽¹⁾

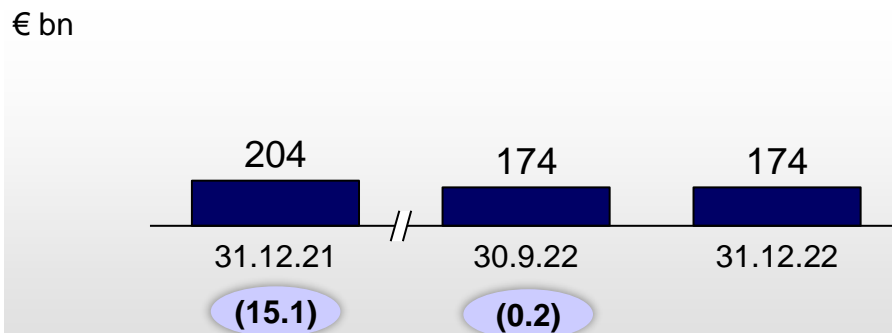


- Decline vs 31.12.21 due to negative market performance

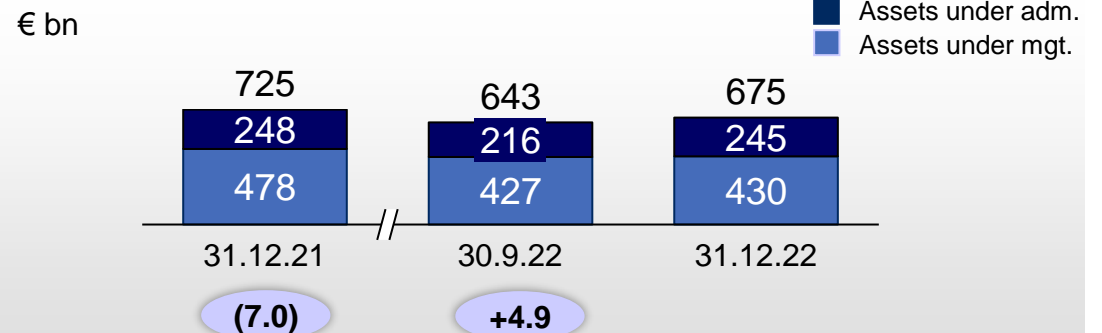
Direct deposits from banking business



Direct deposits from insurance business and technical reserves



Indirect customer deposits



- +€4.1bn in AuM net inflow on a yearly basis

Note: figures may not add up exactly due to rounding. 2021, 1Q22 and 2Q22 data restated to reflect the consolidation of Compagnie de Banque Privée Quilvest (Fideuram Group) since July 2022

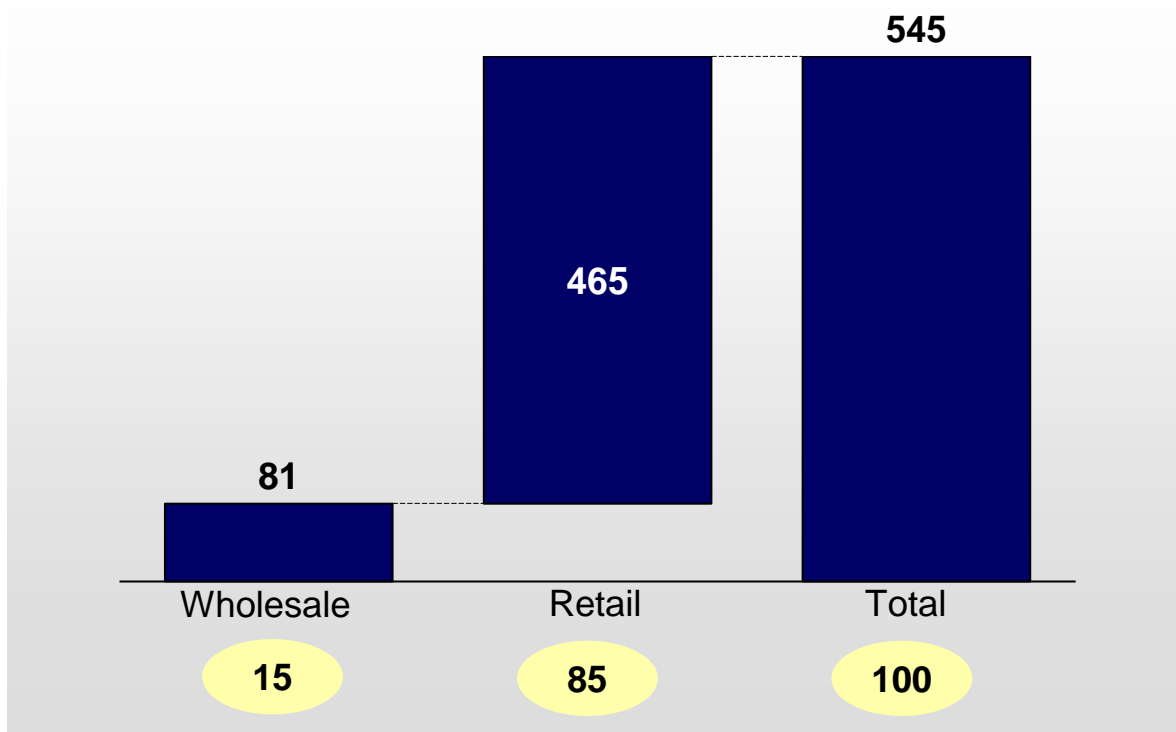
(1) Net of duplications between Direct deposits and Indirect customer deposits

Funding mix

Breakdown of Direct deposits from banking business

€ bn; 31.12.22

% Percentage of total



	Wholesale	Retail
Current accounts and deposits	13	420
Repos and securities lending	1	-
Senior bonds ⁽¹⁾	27	7
Covered bonds	19	-
Short-term institutional funding	11 ⁽²⁾	-
Subordinated liabilities	9	4
Other deposits	1	34 ⁽³⁾

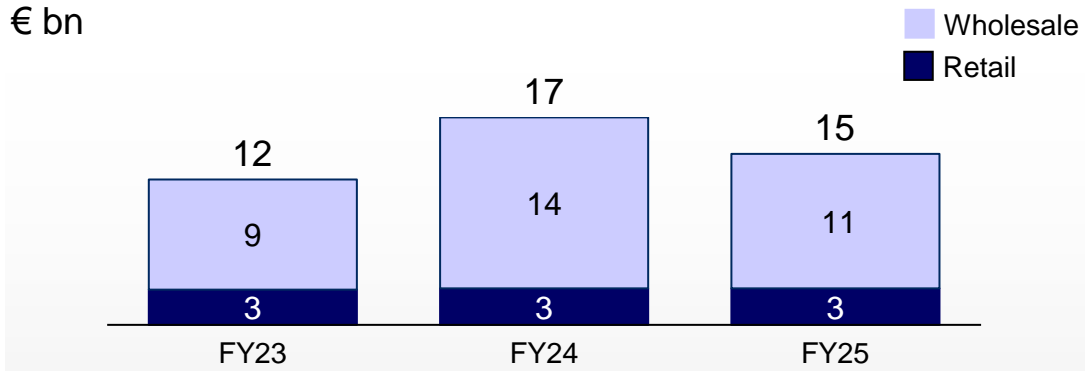
Placed with Private Banking clients

Retail funding represents 85% of Direct deposits from banking business

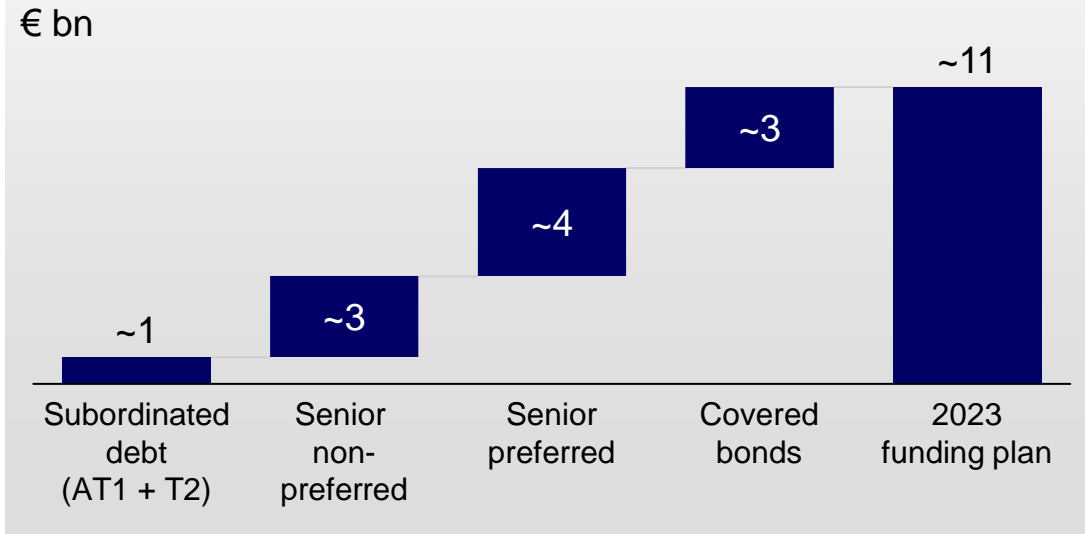
Note: figures may not add up exactly due to rounding
 (1) Including Senior non-preferred
 (2) Certificates of deposit + Commercial papers
 (3) Including Certificates

Strong funding capability: broad access to international markets

2023-2025 MLT maturities



2023 wholesale funding plan⁽¹⁾



Main wholesale issues

2021⁽²⁾

- €1.75bn senior non-preferred, €1.25bn green bond and \$1.5bn Tier 2 placed. On average 92% demand from foreign investors; orderbooks average oversubscription ~3.9x
 - February: inaugural €1.75bn dual-tranche 5/10y senior non-preferred, the coupons represent the lowest-ever of any Italian SNP in their respective maturity buckets
 - March: €1.25bn 7y senior unsecured green bond, confirming ISP's aim of fostering its ESG profile and its role as a regular player in the green and sustainable bond market
 - May: \$750m 11NC10 and \$750m 21NC20 Tier 2 issue, first ever dual-tranche \$ structure with 1y MREL-style call

2022

- €1bn AT1, €1bn green senior non-preferred, £400m Tier 2, €750m social senior preferred and dual tranche for a total of \$2bn senior and senior non-preferred placed. On average 91% demand from foreign investors; orderbooks average oversubscription ~3.2x
 - March: €1bn AT1 placed. The deal was the first AT1 from ISP since the dual tranche priced in August 2020 and marked the re-opening of the EUR AT1 primary market for 2022
 - August: €1bn 5y green senior non-preferred bond placed, under the updated ISP Green, Social and Sustainability Bond Framework⁽³⁾, the first-ever green SNP by an Italian bank
 - September: £400m 10y Tier 2 issue
 - October: inaugural €750m 7y social senior preferred bond placed, with the net proceeds to be allocated to finance or refinance Social Categories as defined within the Green, Social and Sustainability Bond Framework
 - November: \$2bn dual-tranche: \$750m 3y senior preferred and \$1,250m 11NC10 senior non-preferred, ISP's first SNP issue in the US, and ISP's first issue in 144a/RegS format

Note: figures may not add up exactly due to rounding

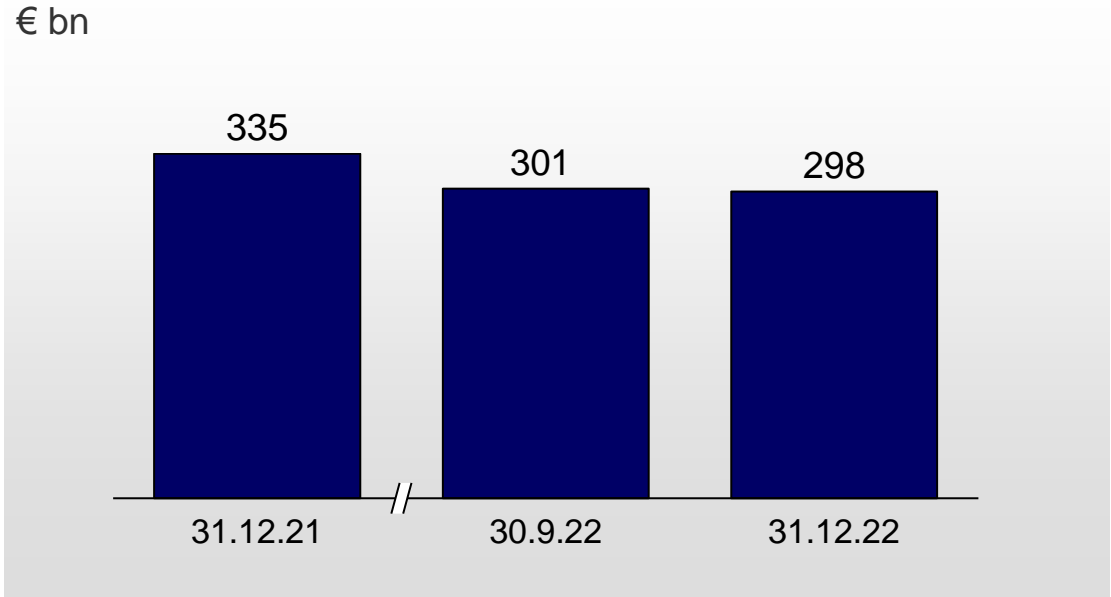
(1) Funding mix and size could change according to market conditions and asset growth

(2) ISP stand-alone

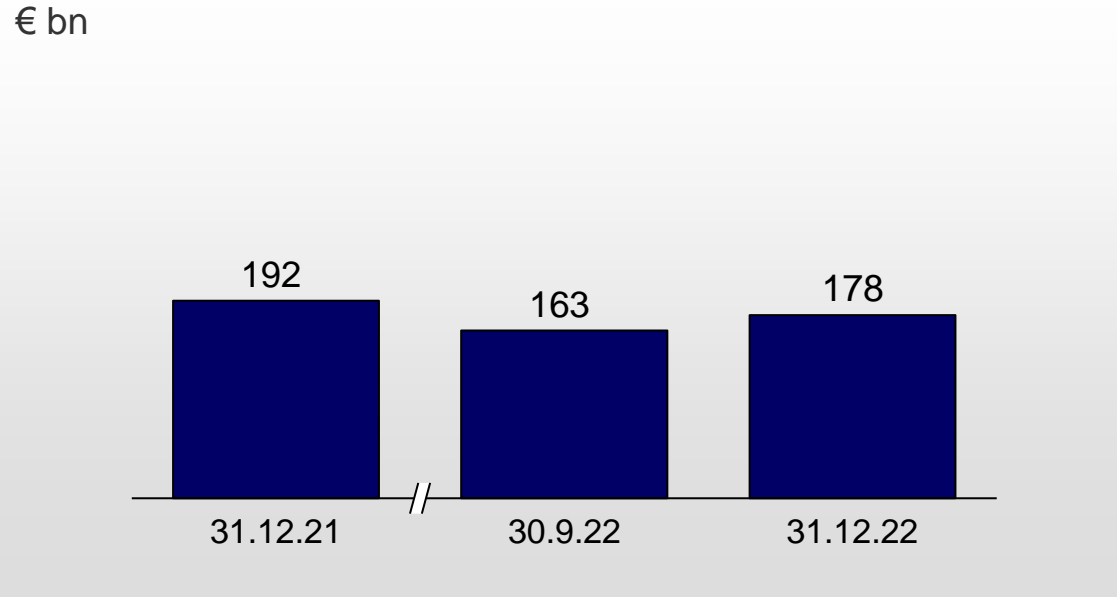
(3) Aligned with ICMA's Green Bond Principles (2021), Social Bond Principles (2021) and Sustainability Bond Guidelines (2021), as well as - wherever possible and on a best effort basis - with the EU Taxonomy Climate Delegated Act (2021)

High liquidity: LCR and NSFR well above regulatory requirements

Liquid assets⁽¹⁾



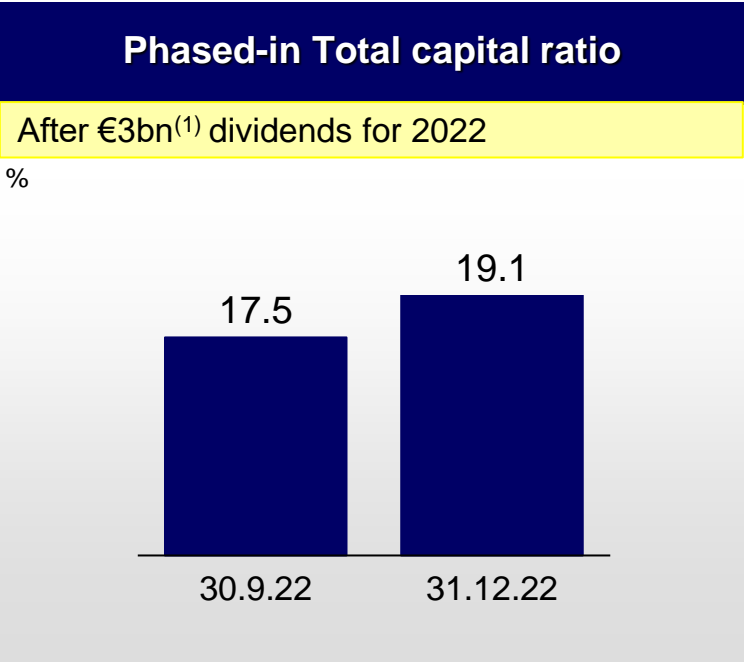
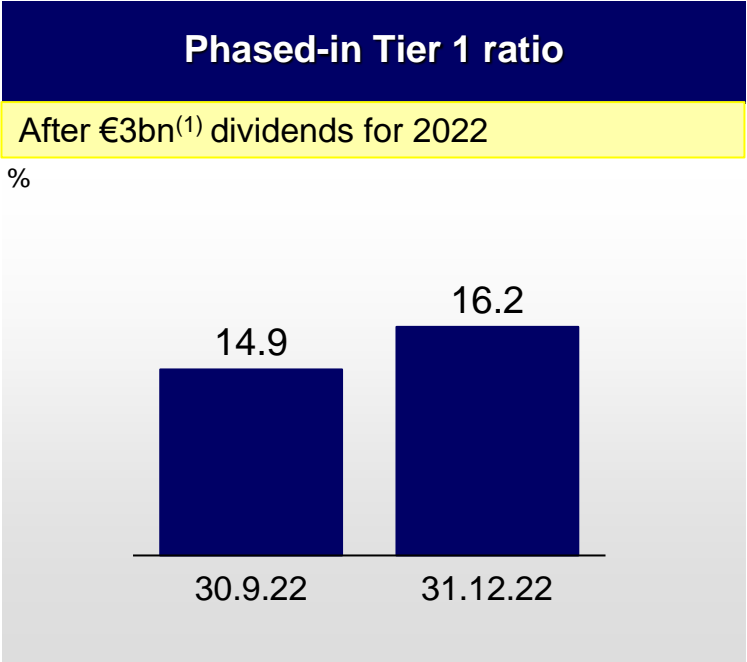
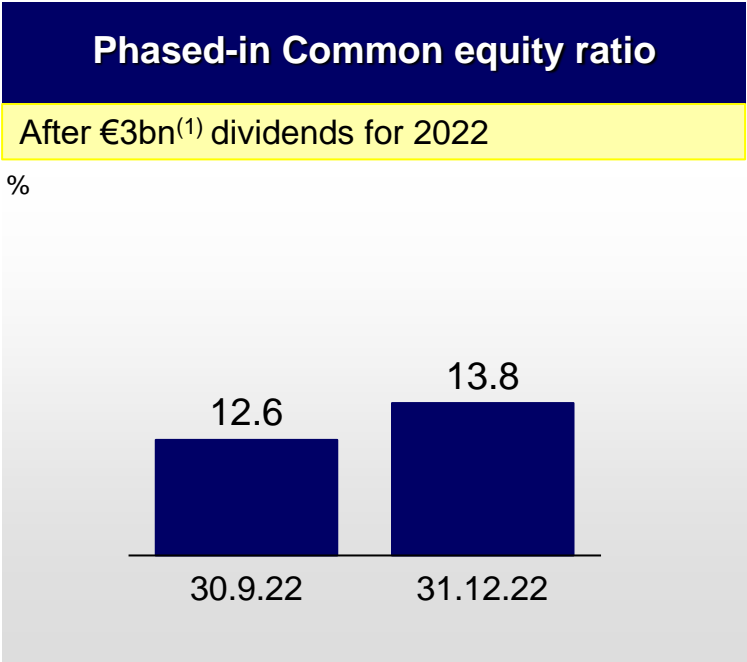
Unencumbered eligible assets with Central Banks⁽²⁾ (net of haircuts)



- Refinancing operations with the ECB: ~€96bn⁽³⁾ consisting entirely of TLTRO III as at 31.12.22 (~€76bn⁽³⁾ as at 31.1.23)
- Loan to Deposit ratio⁽⁴⁾ at 82%

(1) Stock of own-account eligible assets (including assets used as collateral and excluding eligible assets received as collateral) and cash & deposits with Central Banks
 (2) Eligible assets freely available (excluding assets used as collateral and including eligible assets received as collateral) and cash & deposits with Central Banks
 (3) TLTRO tranches: III.3: €4bn - maturity 29.3.23; III.4: €47bn - maturity 28.6.23; III.7: €36bn - maturity 27.3.24; III.8: €9bn - maturity 26.6.24; III.9: €60m - maturity 25.9.24. In January 2023, partial early repayment of €20bn (€4bn in the III.3 and €16bn in the III.4) with a reduction to ~€76bn
 (4) Loans to customers/Direct deposits from banking business

Rock-solid and strongly-increased Capital base



- **13.5% fully phased-in CET1 ratio⁽²⁾ (+110bps vs Q3), not including ~125bps additional benefit from DTA absorption (of which >30bps in the 2023-2025 horizon) and including ~60bps impact from the second tranche of buyback (€1.7bn)**
- **5.6%⁽³⁾ leverage ratio**

(1) 70% cash dividend payout ratio as envisaged in the 2022-2025 Business Plan, including €1.4bn paid as an interim dividend on 23.11.22

(2) 14.9% pro-forma fully loaded Basel 3 (31.12.22 financial statements considering the total absorption of DTA related to IFRS9 FTA (€1.0bn as at 31.12.22), DTA convertible in tax credit related to goodwill realignment (€4.9bn as at 31.12.22) and adjustments to loans (€2.6bn as at 31.12.22), DTA related to non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of operations of the two former Venetian banks (€0.05bn as at 31.12.22), as well as the expected absorption of DTA related to the combination with UBI Banca and to the new agreement with trade unions signed on 16.11.21 (€0.4bn as at 31.12.22) and DTA on losses carried forward (€2.3bn as at 31.12.22), and the expected distribution on FY22 Net income of insurance companies)

(3) Including exposures with the ECB

Detailed consolidated P&L results

Liquidity, Funding and Capital base

Asset quality

Divisional results and other information

Non-performing loans: massive deleveraging

x Gross NPL ratio, %

x Net NPL ratio, %

x Gross and net NPL ratio based on EBA definition, %

Gross NPL			
€ bn	31.12.21 ⁽¹⁾	30.9.22 ⁽²⁾	31.12.22 ⁽³⁾
Bad loans	7.2	3.8	3.7
- of which forborne	1.5	0.8	0.8
Unlikely to pay	7.3	7.0	6.4
- of which forborne	2.9	2.9	2.6
Past due	0.8	0.6	0.6
- of which forborne	0.2	0.1	-
Total	15.2	11.4	10.6
	3.2	2.4	2.3
	2.4	1.9	1.9

Of which €0.5bn related to Russia-Ukraine exposure

Net NPL			
€ bn	31.12.21 ⁽¹⁾	30.9.22 ⁽²⁾	31.12.22 ⁽³⁾
Bad loans	2.1	1.3	1.1
- of which forborne	0.5	0.3	0.3
Unlikely to pay	4.3	4.2	4.0
- of which forborne	2.1	1.9	1.7
Past due	0.6	0.5	0.4
- of which forborne	0.1	0.1	-
Total	7.1	6.0	5.5
	1.5	1.3	1.2
	1.2	1.0	1.0

Of which €0.2bn related to Russia-Ukraine exposure

Lowest-ever NPL stock and ratios with the twenty-ninth quarter of continuous reduction in net NPL stock

Note: figures may not add up exactly due to rounding

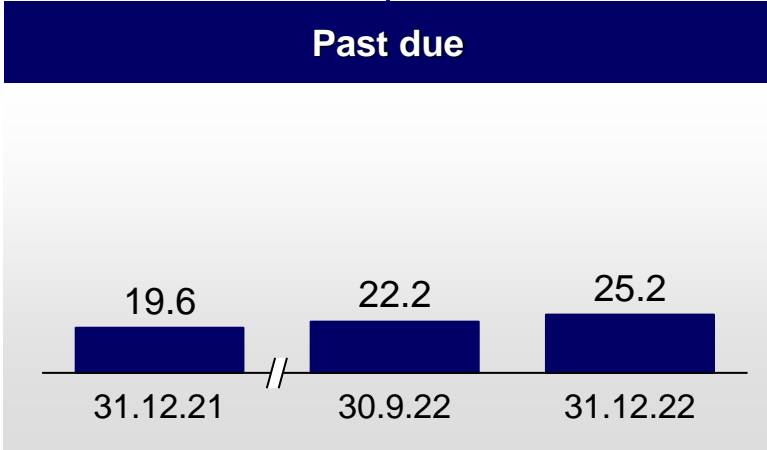
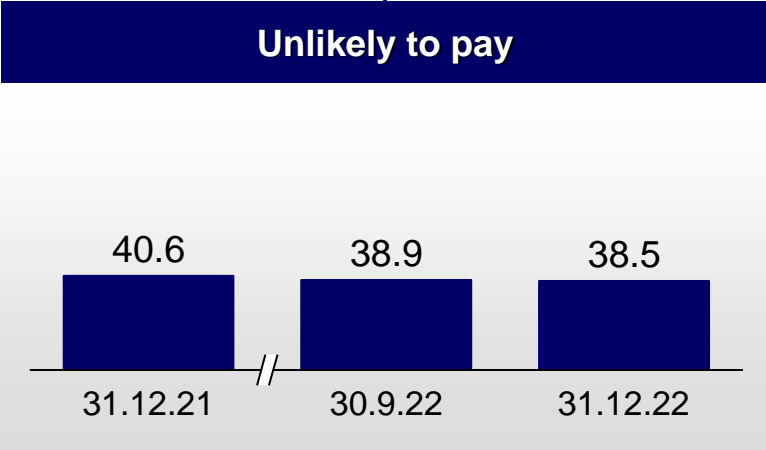
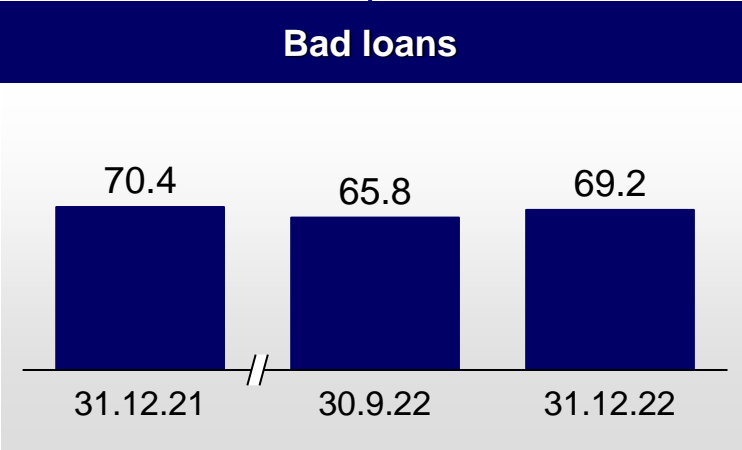
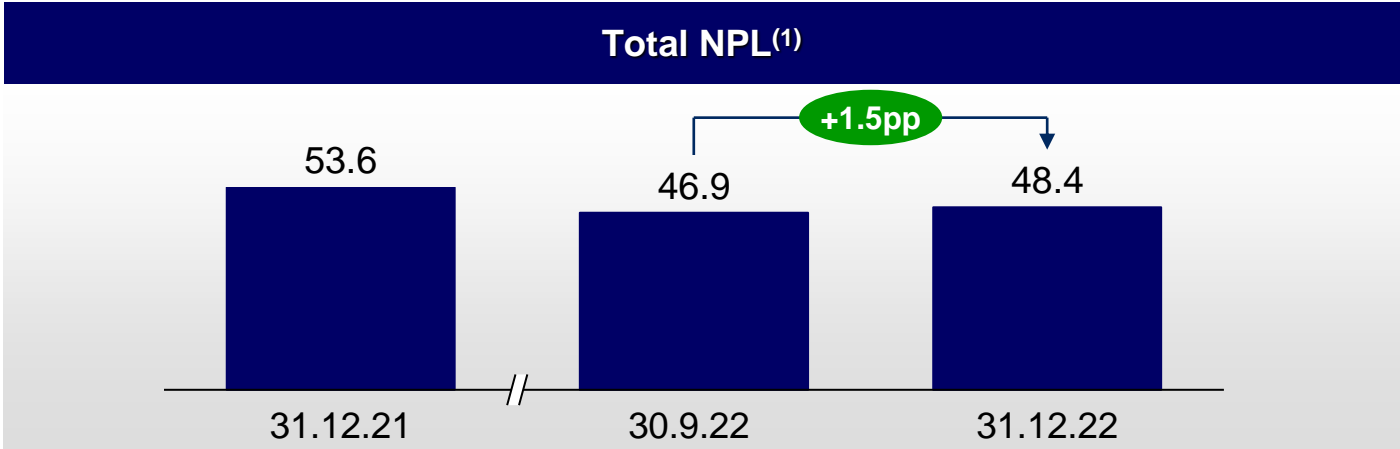
(1) Not including €4.5bn gross (€1.2bn net) NPL booked in Discontinued operations

(2) Not including €3.8bn gross (€0.9bn net) NPL booked in Discontinued operations

(3) Not including €0.7bn gross (€0.4bn net) NPL booked in Discontinued operations

Non-performing loans: sizeable and increased coverage in Q4

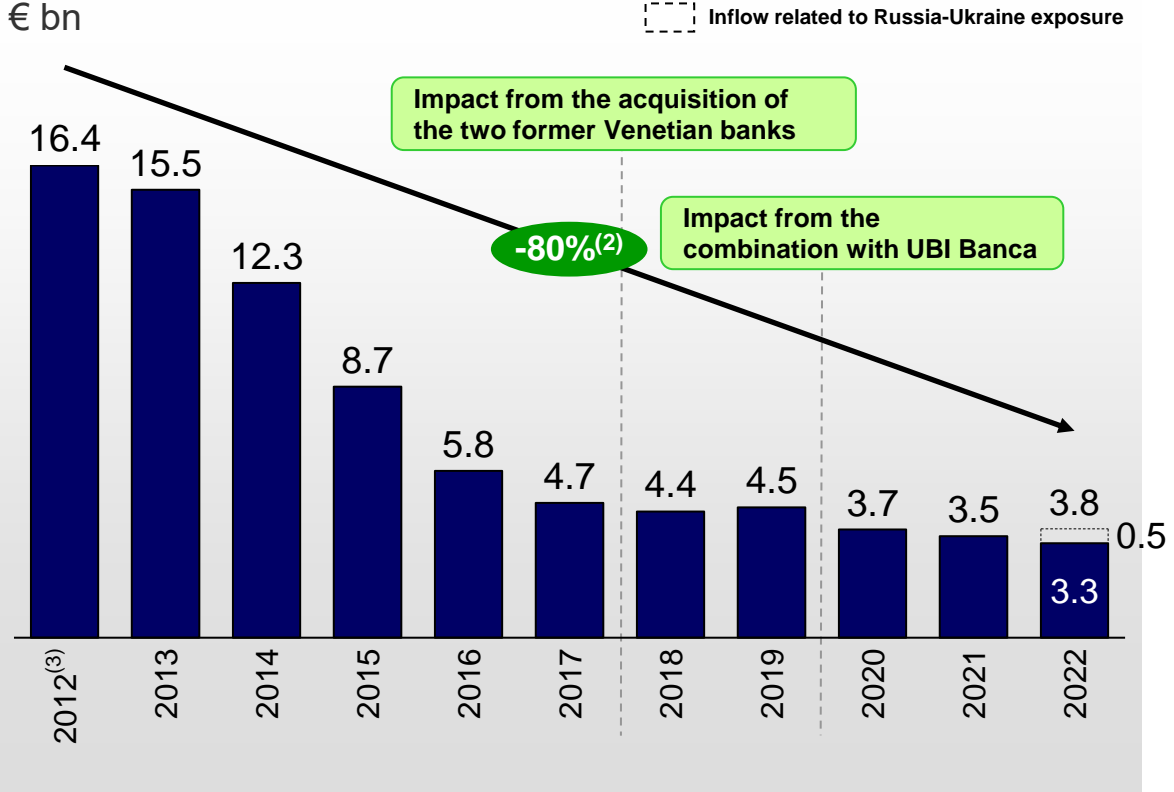
Cash coverage; %



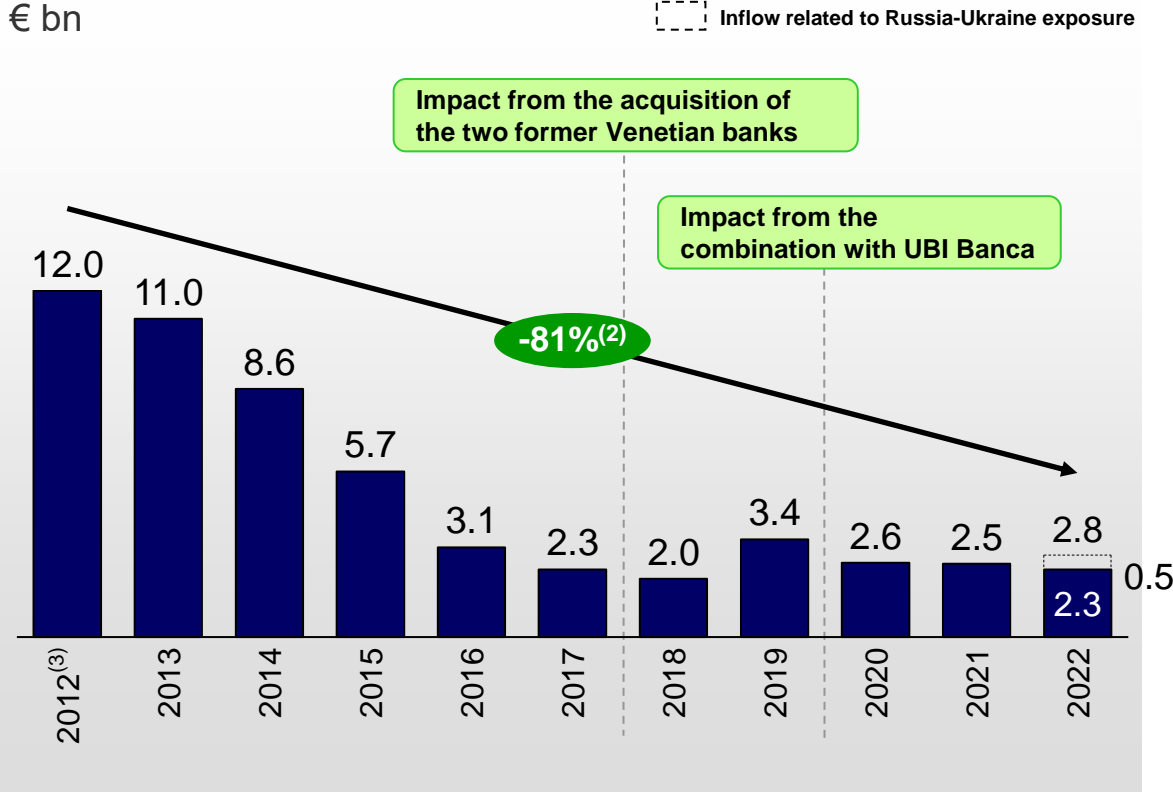
(1) Bad loans (Sofferenze), Unlikely to pay (Inadempienze probabili) and Past due (Scaduti e sconfinanti)

Non-performing loans inflow: lowest-ever when excluding Russia-Ukraine exposure

Gross inflow of new NPL⁽¹⁾ from Performing loans



Net inflow of new NPL⁽¹⁾ from Performing loans

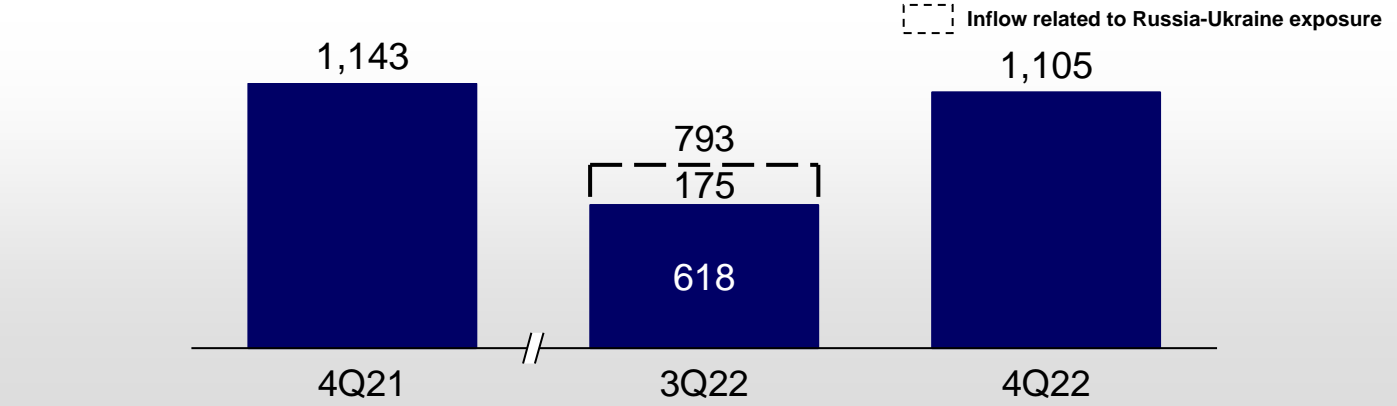


(1) Bad loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past due (*Scaduti e sconfinanti*)
 (2) Excluding Russia-Ukraine exposure (€0.5bn gross/net inflow)
 (3) 2012 figures recalculated to take into consideration the regulatory changes to Past due classification criteria introduced by the Bank of Italy (90 days since 2012 vs 180 days up until 31.12.11)

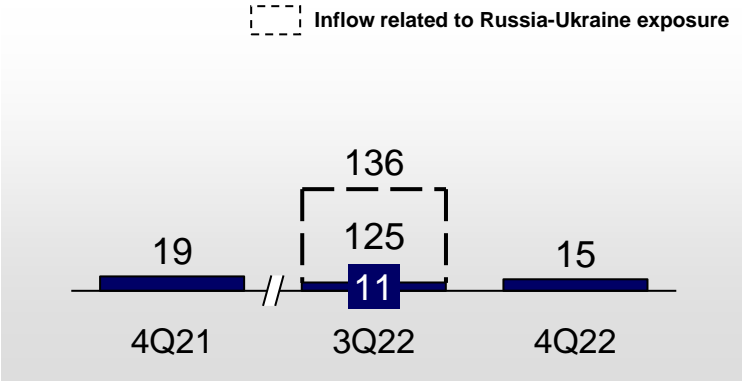
Non-performing loans gross inflow

€ m

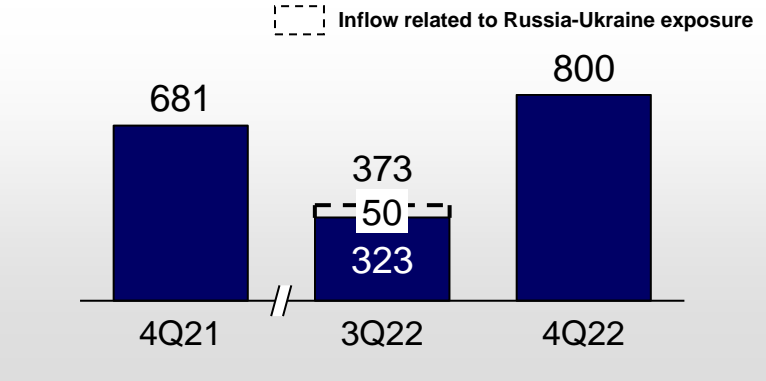
Gross inflow of new NPL⁽¹⁾ from Performing loans



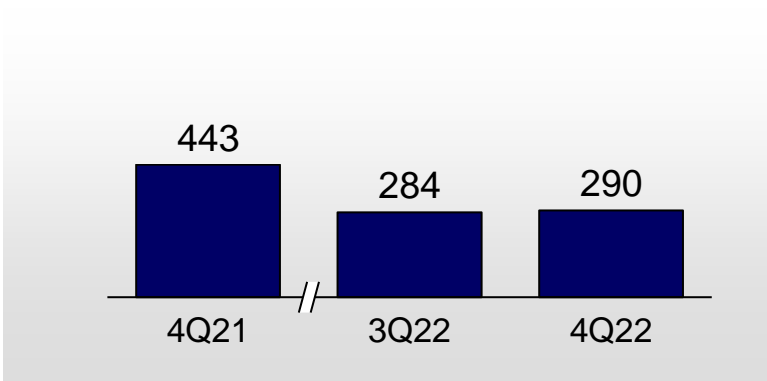
Bad loans



Unlikely to pay



Past due



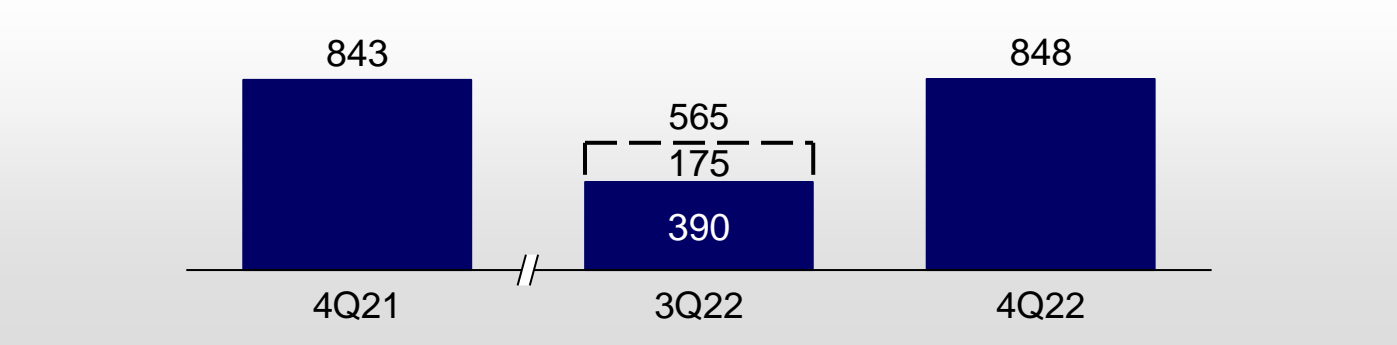
Note: figures may not add up exactly due to rounding
 (1) Bad loans (*Sofferenze*), Unlikely to pay (*Inadempienze probabili*) and Past due (*Scaduti e sconfinanti*)

Non-performing loans net inflow

€ m

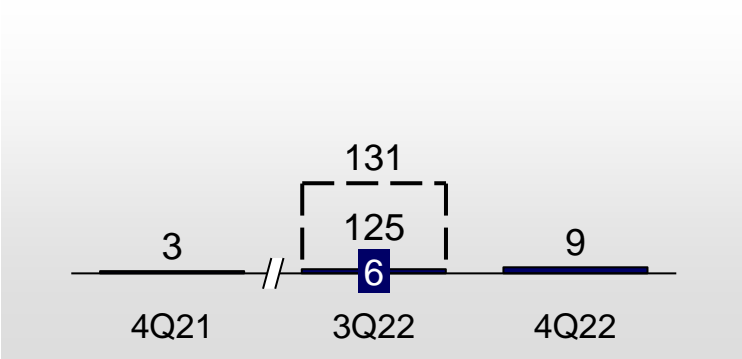
Net inflow of new NPL⁽¹⁾ from Performing loans

 Inflow related to Russia-Ukraine exposure



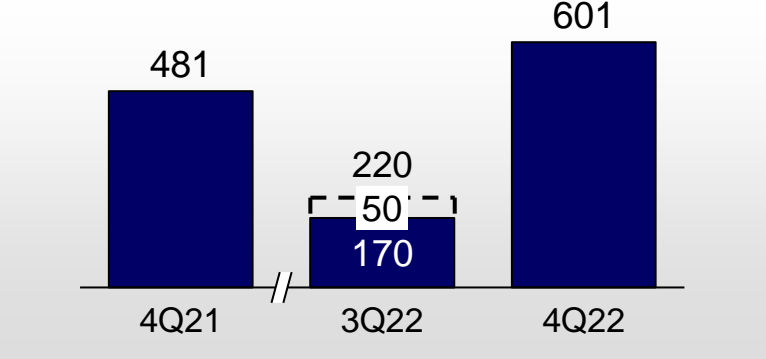
Bad loans

 Inflow related to Russia-Ukraine exposure

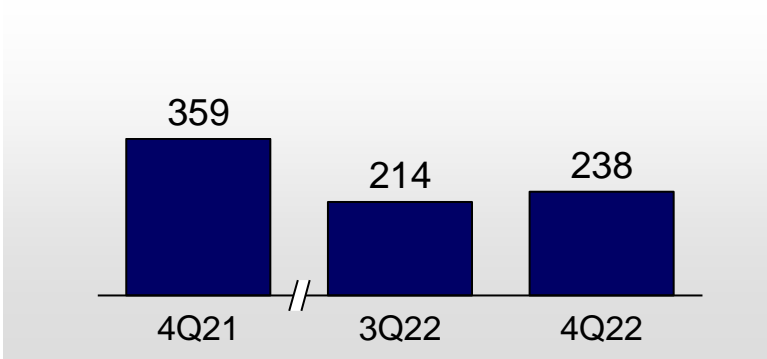


Unlikely to pay

 Inflow related to Russia-Ukraine exposure



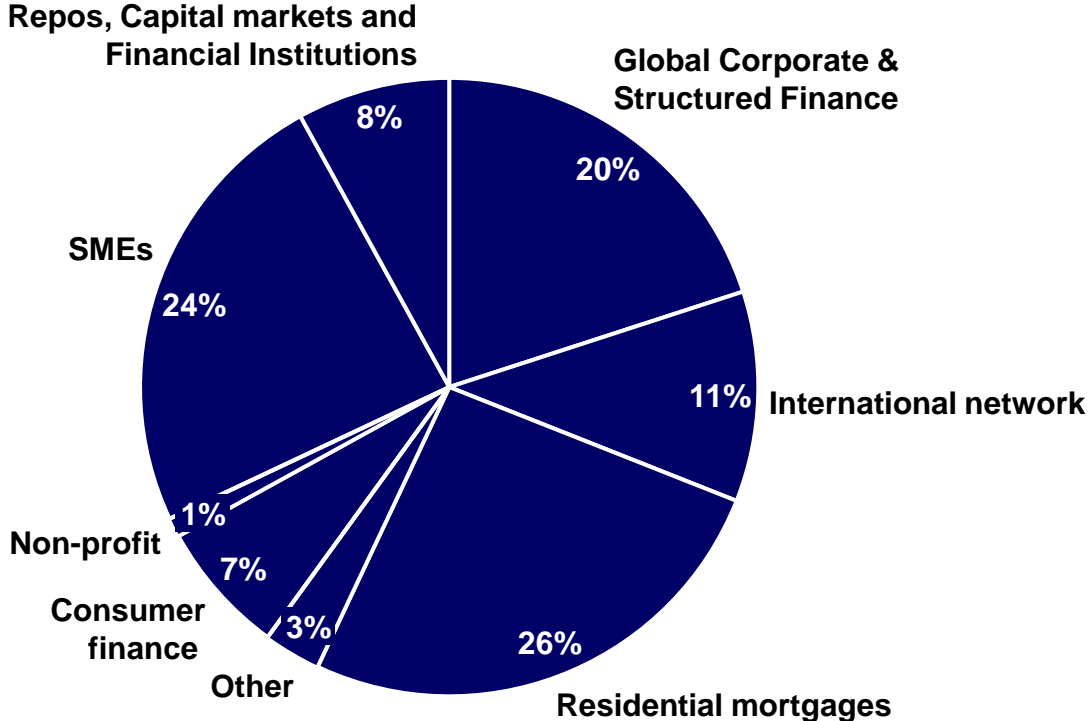
Past due



Note: figures may not add up exactly due to rounding
 (1) Bad loans (Sofferenze), Unlikely to pay (Inadempienze probabili) and Past due (Scaduti e sconfinanti)

Loans to customers: a well-diversified portfolio

Breakdown by business area (data as at 31.12.22)



- **Low risk profile of residential mortgage portfolio**
 - Instalment/available income ratio at 31%
 - Average Loan-to-Value equal to ~59%
 - Original average maturity equal to ~24 years
 - Residual average life equal to ~19 years

Non-retail loans of the Italian banks and companies of the Group Breakdown by economic business sector

	31.12.22
Public Administration	4.9%
Financial companies	7.2%
Non-financial companies	44.3%
<i>of which:</i>	
UTILITIES	4.6%
SERVICES	4.5%
REAL ESTATE	3.3%
DISTRIBUTION	3.3%
CONSTRUCTION AND MATERIALS FOR CONSTR.	3.2%
FOOD AND DRINK	2.6%
INFRASTRUCTURE	2.5%
METALS AND METAL PRODUCTS	2.4%
FASHION	2.2%
TRANSPORTATION MEANS	1.9%
ENERGY AND EXTRACTION	1.9%
MECHANICAL	1.8%
CHEMICALS, RUBBER AND PLASTICS	1.8%
TOURISM	1.7%
AGRICULTURE	1.6%
TRANSPORT	1.3%
ELECTRICAL COMPONENTS AND EQUIPMENT	0.9%
FURNITURE AND WHITE GOODS	0.8%
PHARMACEUTICAL	0.8%
MEDIA	0.5%
WOOD AND PAPER	0.5%
OTHER CONSUMPTION GOODS	0.2%

Note: figures may not add up exactly due to rounding

Exposure to Russia reduced to below 0.3% of Group customer loans

€ bn, data as at 31.12.22

	Local presence		Cross-border exposure to Russia ⁽²⁾
	Russia (Banca Intesa)	Ukraine (Pravex Bank) ⁽¹⁾	
Loans to customers (net of ECA guarantees and provisions)	0.2 ⁽³⁾	-(3)	0.96 ⁽⁴⁾
ECA ⁽⁵⁾ guarantees	-	-	0.8 ⁽⁶⁾
Due from banks (net of provisions)	0.7	0.06	0.04 ⁽⁷⁾
Bonds (net of writedowns)	0.01	-	0.03 ⁽⁸⁾
Derivatives	n.m.	-	n.m.
RWA	2.0	0.1	2.7
Total assets	1.6	0.1	n.a.
Intragroup funding	0.2	-	n.a.

Cross-border exposure to Russia largely performing and classified as Stage 2

(1) Data as at 30.9.22 updated using exchange rate as at 31.12.22

(2) Exposure to Russian counterparties included in the SDN lists of names to which sanctions apply is equal to only €0.4bn. Cross-border exposure to Ukraine not meaningful

(3) There is also an off-balance for Russia of €0.1bn (of which €0.05bn undrawn committed lines) and €0.07bn for Ukraine

(4) There is also an off-balance of €0.2bn (of which €0.03bn undrawn committed lines)

(5) Export Credit Agencies

(6) There are also Export Credit Agencies guarantees against an off-balance of €0.5bn (entirely against undrawn committed lines)

(7) There is also an off-balance of €0.15bn (no undrawn committed lines)

(8) Including insurance business (concerning policies where the total risk is not retained by the insured)

Detailed consolidated P&L results

Liquidity, Funding and Capital base

Asset quality

Divisional results and other information

Divisional financial highlights

Data as at 31.12.22

	Divisions							Total
	Banca dei Territori	IMI Corporate & Investment Banking	International Subsidiary Banks ⁽¹⁾	Private Banking ⁽²⁾	Asset Management ⁽³⁾	Insurance ⁽⁴⁾	Corporate Centre / Others ⁽⁵⁾	
Operating income (€ m)	8,813	4,333	2,227	2,475	962	1,607	1,053	21,470
Operating margin (€ m)	2,416	2,915	1,109	1,554	740	1,222	580	10,536
Net income (€ m)	471	681	504	1,034	550	870	244	4,354
Cost/Income (%)	72.6	32.7	50.2	37.2	23.1	24.0	n.m.	50.9
RWA (€ bn)	81.7	101.8	35.1	12.8	1.8	0.0	62.3	295.4
Direct deposits from banking business (€ bn)	291.1	94.8	54.4	50.4	0.0	0.0	54.7	545.4
Loans to customers (€ bn)	247.5	132.9	40.2	15.1	0.3	0.0	10.8	446.9

Note: figures may not add up exactly due to rounding

(1) Excluding the Russian subsidiary Banca Intesa which is included in the IMI C&IB Division

(2) Compagnie de Banque Privée Quilvest (merged with Fideuram Bank Luxembourg on 1.1.23, setting up Intesa Sanpaolo Wealth Management), Fideuram, Intesa Sanpaolo Private Banking, IW Private Investments, REYL Group, and Siref Fiduciaria

(3) Eurizon

(4) Fideuram Vita, Intesa Sanpaolo Assicura, Intesa Sanpaolo Insurance Agency, Intesa Sanpaolo Life, Intesa Sanpaolo RBM Salute, and Intesa Sanpaolo Vita

(5) Treasury Department, Central Structures and consolidation adjustments

Banca dei Territori: 2022 vs 2021

€ m

	FY21 redetermined	FY22	Δ%
Net interest income	3,932	3,957	0.6
Net fee and commission income	4,809	4,744	(1.4)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	105	120	14.3
Other operating income (expenses)	7	(8)	n.m.
Operating income	8,853	8,813	(0.5)
Personnel expenses	(3,506)	(3,430)	(2.2)
Other administrative expenses	(2,988)	(2,964)	(0.8)
Adjustments to property, equipment and intangible assets	(5)	(3)	(40.0)
Operating costs	(6,499)	(6,397)	(1.6)
Operating margin	2,354	2,416	2.6
Net adjustments to loans	(1,234)	(1,238)	0.3
Net provisions and net impairment losses on other assets	(118)	(68)	(42.4)
Other income (expenses)	11	11	0.0
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	1,013	1,121	10.7
Taxes on income	(320)	(375)	17.2
Charges (net of tax) for integration and exit incentives	(180)	(42)	(76.7)
Effect of purchase price allocation (net of tax)	(38)	(32)	(15.8)
Levies and other charges concerning the banking industry (net of tax)	(190)	(214)	12.6
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	31	13	(58.1)
Net income	316	471	49.1

Note: figures may not add up exactly due to rounding

Banca dei Territori: Q4 vs Q3

€ m

	3Q22	4Q22	Δ%
Net interest income	970	1,050	8.3
Net fee and commission income	1,152	1,215	5.5
Income from insurance business	(0)	(0)	(34.1)
Profits on financial assets and liabilities at fair value	31	30	(2.3)
Other operating income (expenses)	(6)	(7)	11.4
Operating income	2,146	2,288	6.6
Personnel expenses	(831)	(928)	11.7
Other administrative expenses	(709)	(828)	16.8
Adjustments to property, equipment and intangible assets	(1)	(0)	(35.3)
Operating costs	(1,540)	(1,756)	14.0
Operating margin	606	532	(12.2)
Net adjustments to loans	(157)	(823)	424.9
Net provisions and net impairment losses on other assets	(5)	(25)	376.2
Other income (expenses)	(0)	(0)	(91.9)
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	443	(316)	n.m.
Taxes on income	(150)	101	n.m.
Charges (net of tax) for integration and exit incentives	(7)	(27)	301.1
Effect of purchase price allocation (net of tax)	(8)	(6)	(20.2)
Levies and other charges concerning the banking industry (net of tax)	(206)	(8)	(96.0)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	(100.0)
Net income	73	(258)	n.m.

Note: figures may not add up exactly due to rounding

IMI Corporate & Investment Banking: 2022 vs 2021

€ m

	FY21 redetermined	FY22	Δ%
Net interest income	2,182	2,132	(2.3)
Net fee and commission income	1,135	1,156	1.9
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	1,317	1,047	(20.5)
Other operating income (expenses)	2	(2)	n.m.
Operating income	4,636	4,333	(6.5)
Personnel expenses	(506)	(528)	4.3
Other administrative expenses	(845)	(870)	3.0
Adjustments to property, equipment and intangible assets	(21)	(20)	(4.8)
Operating costs	(1,372)	(1,418)	3.4
Operating margin	3,264	2,915	(10.7)
Net adjustments to loans	20	(1,564)	n.m.
Net provisions and net impairment losses on other assets	(45)	(131)	191.1
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	3,239	1,220	(62.3)
Taxes on income	(991)	(519)	(47.6)
Charges (net of tax) for integration and exit incentives	(24)	(21)	(12.5)
Effect of purchase price allocation (net of tax)	20	0	(100.0)
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	3	1	(66.7)
Net income	2,247	681	(69.7)

Including €1,079m provisions for Russia-Ukraine exposure in 2022

€1,617m, (28.0)% excluding provisions/writedowns for Russia-Ukraine exposure

Note: figures may not add up exactly due to rounding

IMI Corporate & Investment Banking: Q4 vs Q3

€ m

	3Q22	4Q22	Δ%
Net interest income	560	605	8.0
Net fee and commission income	291	295	1.2
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	38	(17)	n.m.
Other operating income (expenses)	(1)	(0)	67.9
Operating income	888	883	(0.6)
Personnel expenses	(136)	(157)	15.7
Other administrative expenses	(214)	(234)	9.6
Adjustments to property, equipment and intangible assets	(7)	(5)	(22.8)
Operating costs	(356)	(397)	11.4
Operating margin	532	486	(8.6)
Net adjustments to loans	(284)	(208)	(26.8)
Net provisions and net impairment losses on other assets	(45)	(26)	(41.6)
Other income (expenses)	(0)	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	202	252	24.4
Taxes on income	(63)	(104)	63.6
Charges (net of tax) for integration and exit incentives	(5)	(6)	26.8
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(0)	0	n.m.
Net income	134	142	5.9

€283m and €155m respectively when excluding provisions/writedowns for Russia-Ukraine exposure

Note: figures may not add up exactly due to rounding

International Subsidiary Banks: 2022 vs 2021

€ m

	FY21 redetermined	FY22	Δ%
Net interest income	1,337	1,592	19.1
Net fee and commission income	546	574	5.1
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	127	129	1.6
Other operating income (expenses)	(38)	(68)	78.9
Operating income	1,972	2,227	12.9
Personnel expenses	(549)	(573)	4.4
Other administrative expenses	(410)	(431)	5.1
Adjustments to property, equipment and intangible assets	(113)	(114)	0.9
Operating costs	(1,072)	(1,118)	4.3
Operating margin	900	1,109	23.2
Net adjustments to loans	(157)	(345)	119.7
Net provisions and net impairment losses on other assets	(74)	(20)	(73.0)
Other income (expenses)	7	35	400.0
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	676	779	15.2
Taxes on income	(144)	(191)	32.6
Charges (net of tax) for integration and exit incentives	(43)	(44)	2.3
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	(26)	(40)	53.8
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	0	n.m.
Net income	463	504	8.9

Including €161m provisions for Russia-Ukraine exposure in 2022

€660m, +42.6% excluding provisions/writedowns for Russia-Ukraine exposure

Note: figures may not add up exactly due to rounding. Excluding the Russian subsidiary Banca Intesa which is included in the IMI C&IB Division

International Subsidiary Banks: Q4 vs Q3

€ m

	3Q22	4Q22	Δ%
Net interest income	423	460	8.7
Net fee and commission income	146	138	(4.9)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	20	30	46.7
Other operating income (expenses)	(16)	(20)	27.8
Operating income	573	608	6.0
Personnel expenses	(145)	(163)	12.1
Other administrative expenses	(109)	(124)	14.2
Adjustments to property, equipment and intangible assets	(29)	(29)	(1.8)
Operating costs	(284)	(316)	11.4
Operating margin	290	292	0.8
Net adjustments to loans	(45)	(112)	146.7
Net provisions and net impairment losses on other assets	2	(8)	n.m.
Other income (expenses)	2	32	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	248	204	(17.9)
Taxes on income	(43)	(30)	(29.4)
Charges (net of tax) for integration and exit incentives	(12)	(13)	8.8
Effect of purchase price allocation (net of tax)	0	0	n.m.
Levies and other charges concerning the banking industry (net of tax)	(7)	(8)	20.0
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	(0)	n.m.
Net income	186	152	(18.6)

Note: figures may not add up exactly due to rounding. Excluding the Russian subsidiary Banca Intesa which is included in the IMI C&IB Division

Private Banking: 2022 vs 2021

€ m

	FY21 redetermined	FY22	Δ%
Net interest income	217	419	93.1
Net fee and commission income	2,096	1,980	(5.5)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	56	60	7.1
Other operating income (expenses)	26	16	(38.5)
Operating income	2,395	2,475	3.3
Personnel expenses	(473)	(486)	2.7
Other administrative expenses	(365)	(354)	(3.0)
Adjustments to property, equipment and intangible assets	(76)	(81)	6.6
Operating costs	(914)	(921)	0.8
Operating margin	1,481	1,554	4.9
Net adjustments to loans	3	(12)	n.m.
Net provisions and net impairment losses on other assets	(37)	13	n.m.
Other income (expenses)	194	0	(100.0)
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	1,641	1,555	(5.2)
Taxes on income	(483)	(444)	(8.1)
Charges (net of tax) for integration and exit incentives	(40)	(37)	(7.5)
Effect of purchase price allocation (net of tax)	(22)	(21)	(4.5)
Levies and other charges concerning the banking industry (net of tax)	(15)	(21)	40.0
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(5)	2	n.m.
Net income	1,076	1,034	(3.9)

Note: figures may not add up exactly due to rounding

Private Banking: Q4 vs Q3

€ m

	3Q22	4Q22	Δ%
Net interest income	102	216	112.5
Net fee and commission income	482	475	(1.4)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	4	31	768.6
Other operating income (expenses)	2	4	74.7
Operating income	589	726	23.2
Personnel expenses	(116)	(145)	25.3
Other administrative expenses	(80)	(89)	11.3
Adjustments to property, equipment and intangible assets	(21)	(20)	(3.7)
Operating costs	(217)	(255)	17.3
Operating margin	372	471	26.7
Net adjustments to loans	(4)	(5)	7.3
Net provisions and net impairment losses on other assets	9	(10)	n.m.
Other income (expenses)	(0)	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	376	457	21.6
Taxes on income	(111)	(153)	37.9
Charges (net of tax) for integration and exit incentives	(6)	(15)	127.8
Effect of purchase price allocation (net of tax)	(5)	(6)	34.9
Levies and other charges concerning the banking industry (net of tax)	(19)	(2)	(87.9)
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	0	3	799.1
Net income	235	284	20.8

Note: figures may not add up exactly due to rounding

Asset Management: 2022 vs 2021

€ m

	FY21 redetermined	FY22	Δ%
Net interest income	(1)	0	(100.0)
Net fee and commission income	1,282	913	(28.8)
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	(4)	(21)	n.m.
Other operating income (expenses)	67	70	4.5
Operating income	1,344	962	(28.4)
Personnel expenses	(120)	(110)	(8.3)
Other administrative expenses	(112)	(106)	(5.4)
Adjustments to property, equipment and intangible assets	(7)	(6)	(14.3)
Operating costs	(239)	(222)	(7.1)
Operating margin	1,105	740	(33.0)
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	1	0	(100.0)
Other income (expenses)	0	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	1,106	740	(33.1)
Taxes on income	(297)	(184)	(38.0)
Charges (net of tax) for integration and exit incentives	(8)	(1)	(87.5)
Effect of purchase price allocation (net of tax)	(4)	(4)	0.0
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(10)	(1)	(90.0)
Net income	787	550	(30.1)

Note: figures may not add up exactly due to rounding

Asset Management: Q4 vs Q3

€ m

	3Q22	4Q22	Δ%
Net interest income	0	1	n.m.
Net fee and commission income	218	223	2.0
Income from insurance business	0	0	n.m.
Profits on financial assets and liabilities at fair value	(7)	1	n.m.
Other operating income (expenses)	18	14	(21.3)
Operating income	229	238	4.0
Personnel expenses	(25)	(36)	41.7
Other administrative expenses	(25)	(32)	29.1
Adjustments to property, equipment and intangible assets	(2)	(2)	9.7
Operating costs	(52)	(70)	34.7
Operating margin	177	168	(5.0)
Net adjustments to loans	0	(0)	n.m.
Net provisions and net impairment losses on other assets	0	(0)	n.m.
Other income (expenses)	(0)	0	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	177	168	(5.0)
Taxes on income	(43)	(52)	21.3
Charges (net of tax) for integration and exit incentives	(0)	(0)	(64.3)
Effect of purchase price allocation (net of tax)	(1)	(1)	0.0
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(0)	0	n.m.
Net income	132	115	(13.0)

Note: figures may not add up exactly due to rounding

Insurance: 2022 vs 2021

€ m

	FY21 redetermined	FY22	Δ%
Net interest income	0	0	n.m.
Net fee and commission income	2	3	50.0
Income from insurance business	1,586	1,616	1.9
Profits on financial assets and liabilities at fair value	0	0	n.m.
Other operating income (expenses)	(16)	(12)	(25.0)
Operating income	1,572	1,607	2.2
Personnel expenses	(142)	(148)	4.2
Other administrative expenses	(240)	(217)	(9.6)
Adjustments to property, equipment and intangible assets	(20)	(20)	0.0
Operating costs	(402)	(385)	(4.2)
Operating margin	1,170	1,222	4.4
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	(335)	90	n.m.
Other income (expenses)	0	8	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	835	1,320	58.1
Taxes on income	(210)	(347)	65.2
Charges (net of tax) for integration and exit incentives	(42)	(14)	(66.7)
Effect of purchase price allocation (net of tax)	(52)	(65)	25.0
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	181	(24)	n.m.
Net income	712	870	22.2

Note: figures may not add up exactly due to rounding

Insurance: Q4 vs Q3

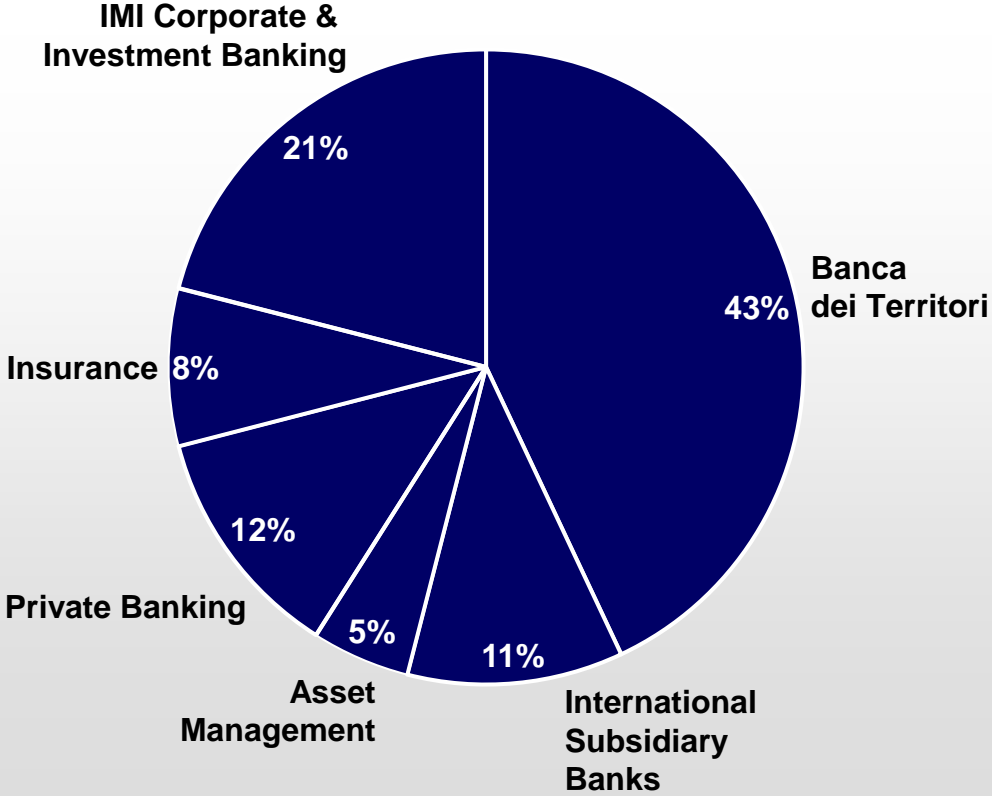
€ m

	3Q22	4Q22	Δ%
Net interest income	(0)	0	n.m.
Net fee and commission income	1	1	5.4
Income from insurance business	415	371	(10.5)
Profits on financial assets and liabilities at fair value	(0)	0	n.m.
Other operating income (expenses)	(3)	(2)	(12.8)
Operating income	413	370	(10.5)
Personnel expenses	(32)	(48)	48.5
Other administrative expenses	(55)	(63)	13.5
Adjustments to property, equipment and intangible assets	(5)	(5)	11.3
Operating costs	(92)	(116)	25.6
Operating margin	321	254	(20.8)
Net adjustments to loans	0	0	n.m.
Net provisions and net impairment losses on other assets	(3)	102	n.m.
Other income (expenses)	(0)	8	n.m.
Income (Loss) from discontinued operations	0	0	n.m.
Gross income (loss)	318	364	14.7
Taxes on income	(87)	(94)	7.8
Charges (net of tax) for integration and exit incentives	(3)	(7)	112.7
Effect of purchase price allocation (net of tax)	(17)	(16)	(7.3)
Levies and other charges concerning the banking industry (net of tax)	0	0	n.m.
Impairment (net of tax) of goodwill and other intangible assets	0	0	n.m.
Minority interests	(1)	(23)	n.m.
Net income	209	225	7.4

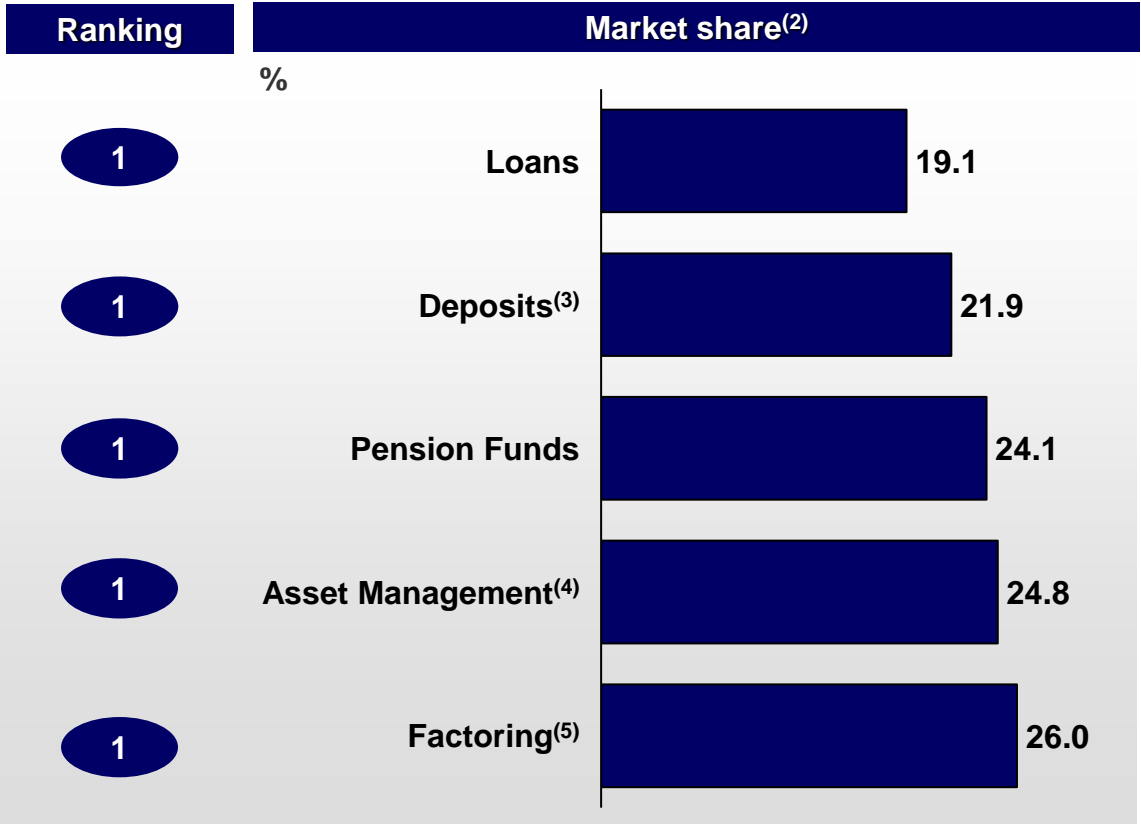
Note: figures may not add up exactly due to rounding

Market leadership in Italy

2022 Operating income breakdown by business area⁽¹⁾



Leader in Italy














Note: figures may not add up exactly due to rounding

(1) Excluding Corporate centre
 (2) Data as at 31.12.22
 (3) Including bonds
 (4) Mutual funds; data as at 30.9.22
 (5) Data as at 30.9.22

International Subsidiary Banks by country

Data as at 31.12.22

											Total CEE		Total	% of the Group
	Hungary	Slovakia	Slovenia	Croatia	Bosnia	Serbia	Albania	Romania	Moldova	Ukraine ^(*)		Egypt		
Operating income (€ m)	329	504	83	448	46	330	45	44	18	14	1,860	384	2,244	10.5%
Operating costs (€ m)	114	225	46	196	23	125	25	32	11	16	812	154	966	8.8%
Net adjustments to loans (€ m)	61	53	8	(3)	4	43	2	4	3	126	302	44	345	11.1%
Net income (€ m)	92	169	16	188	14	110	11	5	3	(128)	481	129	610	14.0%
Customer deposits (€ bn)	5.3	19.4	3.2	12.7	0.9	5.3	1.5	1.1	0.2	0.2	49.8	4.2	54.0	9.9%
Customer loans (€ bn)	3.6	17.2	2.3	8.1	0.8	4.6	0.5	0.8	0.1	0.0	38.1	2.1	40.2	9.0%
Performing loans (€ bn)	3.5	17.1	2.3	7.9	0.8	4.6	0.5	0.8	0.1	0.0	37.6	2.1	39.7	9.0%
of which:														
Retail local currency	43%	59%	43%	25%	33%	22%	23%	13%	54%	n.m.	43%	59%	44%	
Retail foreign currency	0%	0%	0%	25%	13%	29%	15%	13%	0%	n.m.	10%	0%	9%	
Corporate local currency	25%	33%	57%	23%	24%	6%	11%	44%	17%	n.m.	28%	27%	28%	
Corporate foreign currency	32%	7%	0%	27%	30%	42%	52%	31%	30%	n.m.	19%	14%	19%	
Non-performing loans (€ m)	73	107	6	184	13	48	10	21	3	0	465	46	511	9.3%
Non-performing loans coverage	44%	67%	78%	53%	58%	64%	41%	54%	25%	100%	62%	65%	62%	
Cost of credit ⁽¹⁾ (bps)	170	31	34	n.m.	55	93	41	47	n.m.	n.m.	79	n.m.	86	

46bps and 54bps respectively when excluding provisions in Ukraine

Note: figures may not add up exactly due to rounding. Excluding the Russian subsidiary Banca Intesa which is included in the IMI C&IB Division

(*) Consolidated on the basis of the countervalue of 30.9.22 figures at the exchange rate as at 31.12.22

(1) Net adjustments to loans/Net customer loans

Total exposure⁽¹⁾ by main countries

€ m

	DEBT SECURITIES				LOANS
	Banking Business				
	AC	FVTOCI	FVTPL ⁽²⁾	Total ⁽³⁾	
EU Countries	41,931	31,921	2,858	76,710	409,531
Austria	729	269	12	1,010	547
Belgium	3,381	2,029	115	5,525	954
Bulgaria			3	3	10
Croatia	281	1,100	72	1,453	8,020
Cyprus					15
Czech Republic	142			142	925
Denmark	41	46	2	89	65
Estonia					4
Finland	270	53	4	327	219
France	6,966	3,755	-201	10,520	6,994
Germany	756	1,402	-97	2,061	4,508
Greece	37		-1	36	22
Hungary	368	824	39	1,231	3,582
Ireland	827	1,024	480	2,331	386
Italy	21,688	13,106	1,850	36,644	349,255
Latvia					20
Lithuania					1
Luxembourg	444	714	201	1,359	7,998
Malta					56
The Netherlands	1,015	787	108	1,910	1,749
Poland	334	111		445	980
Portugal	544	621	-24	1,141	129
Romania	66	370	6	442	1,005
Slovakia		917	2	919	14,764
Slovenia	1	155	2	158	2,252
Spain	4,018	4,372	283	8,673	4,561
Sweden	23	266	2	291	510
Albania	93	489	1	583	495
Egypt	96	1,145		1,241	2,783
Japan	71	2,907	60	3,038	267
Russia	4	31		35	2,108
Serbia	7	536		543	5,163
United Kingdom	525	630	65	1,220	12,489
U.S.A.	2,071	8,282	334	10,687	5,910
Other Countries	6,741	5,925	127	12,793	24,385
Total	51,539	51,866	3,445	106,850	463,131

Note: management accounts. Figures may not add up exactly due to rounding

(1) Exposure to sovereign risks (central and local governments), banks and other customers. Book Value of Debt Securities and Net Loans as at 31.12.22

(2) Taking into account cash short positions

(3) The total of debt securities from Insurance business (excluding securities in which money is collected through insurance policies where the total risk is retained by the insured) amounts to €71,541m (of which €48,072 in Italy)

Exposure to sovereign risks⁽¹⁾ by main countries

€ m

	DEBT SECURITIES				LOANS
	Banking Business				
	AC	FVTOCI	FVTPL ⁽²⁾	Total ⁽³⁾	
EU Countries	30,875	24,708	616	56,199	10,128
Austria	615	160	1	776	
Belgium	2,405	1,962	101	4,468	
Bulgaria			3	3	
Croatia	151	1,100	72	1,323	1,378
Cyprus					
Czech Republic					
Denmark					
Estonia					
Finland	255	13		268	
France	6,457	2,370	-309	8,518	3
Germany	262	538	-151	649	
Greece			-8	-8	
Hungary	141	787	39	967	313
Ireland	336	45	26	407	
Italy	14,994	11,255	622	26,871	8,019
Latvia					20
Lithuania					
Luxembourg	265	392	88	745	
Malta					
The Netherlands	828	19	25	872	
Poland	28	65		93	
Portugal	388	621	-41	968	
Romania	66	370	-1	435	4
Slovakia		892	2	894	149
Slovenia	1	148	2	151	178
Spain	3,683	3,971	145	7,799	64
Sweden					
Albania	93	489	1	583	1
Egypt	96	1,145		1,241	515
Japan		2,404		2,404	
Russia		31		31	
Serbia	7	536		543	165
United Kingdom		173	19	192	
U.S.A.	1,398	6,944	126	8,468	
Other Countries	2,232	3,443	50	5,725	4,763
Total	34,701	39,873	812	75,386	15,572

Banking business government bond
duration: 6.1y
Adjusted duration due to hedging: 0.4y

Note: management accounts. Figures may not add up exactly due to rounding

(1) Exposure to central and local governments. Book Value of Debt Securities and Net Loans as at 31.12.22

(2) Taking into account cash short positions

(3) The total of debt securities from Insurance business (excluding securities in which money is collected through insurance policies where the total risk is retained by the insured) amounts to €55,264m (of which €45,491m in Italy). The total of FVTOCI and AFS reserves (net of tax and allocation to insurance products under separate management) amounts to -€2,149m (of which -€889m in Italy)

Exposure to banks by main countries⁽¹⁾

€ m

	DEBT SECURITIES				LOANS
	Banking Business				
	AC	FVTOCI	FVTPL ⁽²⁾	Total ⁽³⁾	
EU Countries	2,008	3,616	936	6,560	16,921
Austria	98	66	10	174	79
Belgium	12	48	10	70	13
Bulgaria					
Croatia	42			42	110
Cyprus					
Czech Republic					
Denmark	27	7	2	36	14
Estonia					
Finland	9	9	3	21	16
France	238	906	34	1,178	3,736
Germany	284	444	30	758	1,701
Greece			7	7	14
Hungary	150	37		187	170
Ireland	16	27		43	153
Italy	847	1,022	623	2,492	9,724
Latvia					
Lithuania					
Luxembourg	92	232	98	422	566
Malta					20
The Netherlands	58	320	-11	367	91
Poland		39		39	7
Portugal			2	2	2
Romania			7	7	96
Slovakia		25		25	
Slovenia		7		7	
Spain	117	274	123	514	361
Sweden	18	153	-2	169	48
Albania					8
Egypt					49
Japan	34	338		372	28
Russia					137
Serbia					353
United Kingdom	128	265	33	426	810
U.S.A.	143	528	174	845	83
Other Countries	87	1,765	47	1,899	4,079
Total	2,400	6,512	1,190	10,102	22,468

Note: management accounts. Figures may not add up exactly due to rounding

(1) Book Value of Debt Securities and Net Loans as at 31.12.22

(2) Taking into account cash short positions

(3) The total of debt securities from Insurance business (excluding securities in which money is collected through insurance policies where the total risk is retained by the insured) amounts to €8,141m (of which €1,208m in Italy)

Exposure to other customers by main countries⁽¹⁾

€ m

	DEBT SECURITIES				LOANS
	Banking Business				
	AC	FVTOCI	FVTPL ⁽²⁾	Total ⁽³⁾	
EU Countries	9,048	3,597	1,306	13,951	382,482
Austria	16	43	1	60	468
Belgium	964	19	4	987	941
Bulgaria					10
Croatia	88			88	6,532
Cyprus					15
Czech Republic	142			142	925
Denmark	14	39		53	51
Estonia					4
Finland	6	31	1	38	203
France	271	479	74	824	3,255
Germany	210	420	24	654	2,807
Greece	37			37	8
Hungary	77			77	3,099
Ireland	475	952	454	1,881	233
Italy	5,847	829	605	7,281	331,512
Latvia					
Lithuania					1
Luxembourg	87	90	15	192	7,432
Malta					36
The Netherlands	129	448	94	671	1,658
Poland	306	7		313	973
Portugal	156		15	171	127
Romania					905
Slovakia					14,615
Slovenia					2,074
Spain	218	127	15	360	4,136
Sweden	5	113	4	122	462
Albania					486
Egypt					2,219
Japan	37	165	60	262	239
Russia	4			4	1,971
Serbia					4,645
United Kingdom	397	192	13	602	11,679
U.S.A.	530	810	34	1,374	5,827
Other Countries	4,422	717	30	5,169	15,543
Total	14,438	5,481	1,443	21,362	425,091

Note: management accounts. Figures may not add up exactly due to rounding

(1) Book Value of Debt Securities and Net Loans as at 31.12.22

(2) Taking into account cash short positions

(3) The total of debt securities from Insurance business (excluding securities in which money is collected through insurance policies where the total risk is retained by the insured) amounts to €8,136m (of which €1,373m in Italy)

Disclaimer

“The manager responsible for preparing the company’s financial reports, Fabrizio Dabbene, declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this presentation corresponds to the document results, books and accounting records”.

* * *

This presentation includes certain forward looking statements, projections, objectives and estimates reflecting the current views of the management of the Company with respect to future events. Forward looking statements, projections, objectives, estimates and forecasts are generally identifiable by the use of the words “may,” “will,” “should,” “plan,” “expect,” “anticipate,” “estimate,” “believe,” “intend,” “project,” “goal” or “target” or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts, including, without limitation, those regarding the Company’s future financial position and results of operations, strategy, plans, objectives, goals and targets and future developments in the markets where the Company participates or is seeking to participate.

Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements as a prediction of actual results. The Group’s ability to achieve its projected objectives or results is dependent on many factors which are outside management’s control. Actual results may differ materially from (and be more negative than) those projected or implied in the forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results and is based on certain key assumptions.

All forward-looking statements included herein are based on information available to the Company as of the date hereof. The Company undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements.